



---

# Department of Education



This page has been intentionally left blank.

Department of Education					
	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	3,391,551,100	3,743,109,100	4,054,031,800	3,510,721,300	3,827,289,100
Continuing Appropriation	7,051,700				
Salary Compensation Fund	1,335,000				
Base Deduction	-4,313,300				
<b>Total General Fund</b>	3,395,624,500	3,743,109,100	4,054,031,800	3,510,721,300	3,827,289,100
<b>Tobacco Settlement-Phase I</b>					
Tobacco Settlement - I	1,888,400	1,923,100	1,946,800	1,388,400	1,508,400
Continuing Appropriation	248,900				
<b>Total Tobacco Settlement-Phase I</b>	2,137,300	1,923,100	1,946,800	1,388,400	1,508,400
<b>Restricted Funds</b>					
Balance Forward	1,503,000				
Current Receipts	3,440,400	4,873,400	4,894,600	4,831,300	4,831,300
Non-Revenue Receipts		83,300	46,300	5,000,000	5,000,000
<b>Total Restricted Funds</b>	4,943,400	4,956,700	4,940,900	9,831,300	9,831,300
<b>Federal Funds</b>					
Balance Forward	1,921,800	341,600		341,600	
Current Receipts	462,887,000	464,593,000	464,765,700	464,447,100	464,447,100
Non-Revenue Receipts	222,783,300	222,947,600	223,019,600	222,858,200	222,924,300
<b>Total Federal Funds</b>	687,592,100	687,882,200	687,785,300	687,646,900	687,371,400
<b>TOTAL SOURCE OF FUNDS</b>	4,090,297,300	4,437,871,100	4,748,704,800	4,209,587,900	4,526,000,200
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	61,900,800	68,925,100	71,596,300	62,608,000	63,436,600
Operating Expenses	18,671,200	44,296,000	43,917,700	25,946,600	37,919,300
Grants, Loans or Benefits	4,006,383,700	4,324,660,600	4,633,203,000	4,121,033,300	4,415,746,300
Debt Service					7,625,000
<b>TOTAL EXPENDITURES</b>	4,086,955,700	4,437,881,700	4,748,717,000	4,209,587,900	4,524,727,200
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	3,392,624,500	3,743,109,100	4,054,031,800	3,510,721,300	3,826,016,100
Tobacco Settlement-Phase I	2,137,300	1,923,100	1,946,800	1,388,400	1,508,400
Restricted Funds	4,943,400	4,956,700	4,940,900	9,831,300	9,831,300
Federal Funds	687,250,500	687,882,200	687,785,300	687,646,900	687,371,400
<b>TOTAL EXPENDITURES</b>	4,086,955,700	4,437,871,100	4,748,704,800	4,209,587,900	4,524,727,200
<b>EXPENDITURES BY UNIT</b>					
Executive Policy and Management	654,300	755,600	788,100	672,000	679,800
Operations and Support Services	42,232,200	69,355,300	69,970,500	52,663,400	70,539,300
Learning and Results Services	1,449,176,500	1,543,715,900	1,616,974,300	1,475,069,600	1,522,912,500
Support Education Excellence in Kentucky (SEEK)	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>TOTAL EXPENDITURES</b>	4,086,955,700	4,437,871,100	4,748,704,800	4,209,587,900	4,524,727,200

In enacting the Kentucky Education Reform Act (KERA), the 1990 General Assembly provided for a reconstituted Department of Education to implement KERA along with existing programs. In accordance with KRS 156.148, the Department of Education is headed by a Commissioner of Education appointed by the Kentucky Board of Education.

**Department of Education  
Executive Policy and Management**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	687,900	755,600	788,100	672,000	679,800
Salary Compensation Fund	20,600				
Base Deduction	-54,200				
<b>Total General Fund</b>	654,300	755,600	788,100	672,000	679,800
<b>TOTAL SOURCE OF FUNDS</b>	654,300	755,600	788,100	672,000	679,800
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	527,800	597,200	629,700	536,900	544,700
Operating Expenses	126,500	158,400	158,400	135,100	135,100
<b>TOTAL EXPENDITURES</b>	654,300	755,600	788,100	672,000	679,800
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	654,300	755,600	788,100	672,000	679,800
<b>TOTAL EXPENDITURES</b>	654,300	755,600	788,100	672,000	679,800
<b>EXPENDITURES BY UNIT</b>					
Commissioner	556,100	657,400	689,900	565,200	573,000
Kentucky Board of Education	98,200	98,200	98,200	106,800	106,800
<b>TOTAL EXPENDITURES</b>	654,300	755,600	788,100	672,000	679,800

The Department of Education's Executive Policy and Management function consists of the Commissioner of Education and the Kentucky Board of Education.

The 1990 General Assembly, as part of the Kentucky Education Reform Act (KERA), provided in KRS 156.148 for the appointment of a Commissioner of Education by the Kentucky Board of Education to serve as the chief state school officer.

As part of the same legislation, the General Assembly, in KRS 156.029, created an 11 member Kentucky Board of Education. Board members are appointed by the Governor and confirmed by the Senate and the House of Representatives. Seven members are selected from the state's seven Supreme Court districts and four are appointed from the state at large. Board members serve four-year staggered terms. The Executive Director of the Council on Postsecondary Education serves as an ex officio non-voting board member. Overall policy regarding public elementary and secondary education in Kentucky is set by the Kentucky Board of Education within the legal framework established by the General Assembly.

The Commissioner of Education's qualifications and compensation are set by the Kentucky Board of Education. The Commissioner serves at the pleasure of the Board. The Commissioner is responsible for carrying out all duties assigned by the legislature, for executing education policy as directed by the State Board, and directing the work of all persons employed by the Department of Education.

**Department of Education  
Operations and Support Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	34,200,300	58,492,000	59,123,000	36,925,500	56,074,400
Salary Compensation Fund	258,500				
Base Deduction	-76,600				
<b>Total General Fund</b>	34,382,200	58,492,000	59,123,000	36,925,500	56,074,400
<b>Restricted Funds</b>					
Balance Forward	345,200				
Current Receipts	1,977,000	2,252,200	2,273,400	2,210,100	2,210,100
Non-Revenue Receipts		83,300	46,300	5,000,000	5,000,000
<b>Total Restricted Funds</b>	2,322,200	2,335,500	2,319,700	7,210,100	7,210,100
<b>Federal Funds</b>					
Balance Forward	110,700				
Current Receipts	8,417,100	8,527,800	8,527,800	8,527,800	8,527,800
<b>Total Federal Funds</b>	8,527,800	8,527,800	8,527,800	8,527,800	8,527,800
<b>TOTAL SOURCE OF FUNDS</b>	45,232,200	69,355,300	69,970,500	52,663,400	71,812,300
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	9,750,300	11,824,900	12,478,400	10,088,100	10,337,400
Operating Expenses	4,254,100	29,313,200	29,276,500	9,547,500	19,549,100
Grants, Loans or Benefits	28,227,800	28,227,800	28,227,800	33,027,800	33,027,800
Debt Service					7,625,000
<b>TOTAL EXPENDITURES</b>	42,232,200	69,365,900	69,982,700	52,663,400	70,539,300
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	31,382,200	58,492,000	59,123,000	36,925,500	54,801,400
Restricted Funds	2,322,200	2,335,500	2,319,700	7,210,100	7,210,100
Federal Funds	8,527,800	8,527,800	8,527,800	8,527,800	8,527,800
<b>TOTAL EXPENDITURES</b>	42,232,200	69,355,300	69,970,500	52,663,400	70,539,300
<b>EXPENDITURES BY UNIT</b>					
Deputy Commissioner	231,100	251,400	264,500	241,200	243,100
Internal Administration and Support	9,088,600	10,788,600	11,173,200	14,577,300	32,376,200
Education Technology	30,357,100	55,635,000	55,763,700	35,565,000	35,612,600
Legal and Legislative Services	686,000	721,400	749,700	490,100	495,000
Communications	1,869,400	1,958,900	2,019,400	1,789,800	1,812,400
<b>TOTAL EXPENDITURES</b>	42,232,200	69,355,300	69,970,500	52,663,400	70,539,300

The Operations and Support Services program area consists of the Office of Internal Administration; Office of Education Technology; Office of Legal and Legislative Services; and Office of Communications.

**Department of Education  
Operations and Support Services  
Deputy Commissioner**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	122,900	251,400	264,500	241,200	243,100
Salary Compensation Fund	117,000				
Base Deduction	-8,800				
<b>Total General Fund</b>	231,100	251,400	264,500	241,200	243,100
<b>TOTAL SOURCE OF FUNDS</b>	231,100	251,400	264,500	241,200	243,100
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	212,000	232,300	245,400	222,100	224,000
Operating Expenses	19,100	19,100	19,100	19,100	19,100
<b>TOTAL EXPENDITURES</b>	231,100	251,400	264,500	241,200	243,100
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	231,100	251,400	264,500	241,200	243,100
<b>TOTAL EXPENDITURES</b>	231,100	251,400	264,500	241,200	243,100

The Deputy Commissioner and associated support staff provide policy and administrative direction for the Operations and Support Services program area. The Deputy Commissioner reports directly to the Commissioner of Education.

**Department of Education  
Operations and Support Services  
Internal Administration and Support**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	9,950,000	8,672,900	9,033,400	12,547,100	31,619,000
Salary Compensation Fund	114,300				
Base Deduction	-2,700				
<b>Total General Fund</b>	<b>10,061,600</b>	<b>8,672,900</b>	<b>9,033,400</b>	<b>12,547,100</b>	<b>31,619,000</b>
<b>Restricted Funds</b>					
Balance Forward	219,500				
Current Receipts	1,807,500	2,072,300	2,093,500	2,030,200	2,030,200
Non-Revenue Receipts		43,400	46,300		
<b>Total Restricted Funds</b>	<b>2,027,000</b>	<b>2,115,700</b>	<b>2,139,800</b>	<b>2,030,200</b>	<b>2,030,200</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>12,088,600</b>	<b>10,788,600</b>	<b>11,173,200</b>	<b>14,577,300</b>	<b>33,649,200</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	5,466,300	7,157,700	7,540,700	5,661,600	5,833,900
Operating Expenses	3,622,300	3,641,500	3,644,700	8,915,700	18,917,300
Debt Service					7,625,000
<b>TOTAL EXPENDITURES</b>	<b>9,088,600</b>	<b>10,799,200</b>	<b>11,185,400</b>	<b>14,577,300</b>	<b>32,376,200</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	7,061,600	8,672,900	9,033,400	12,547,100	30,346,000
Restricted Funds	2,027,000	2,115,700	2,139,800	2,030,200	2,030,200
<b>TOTAL EXPENDITURES</b>	<b>9,088,600</b>	<b>10,788,600</b>	<b>11,173,200</b>	<b>14,577,300</b>	<b>32,376,200</b>
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	504,600	590,400	613,700	5,809,500	15,813,100
Budgets	694,300	828,900	874,100	756,300	8,391,900
Financial and Materials Management	3,233,700	4,058,300	4,119,100	3,241,300	3,249,500
Teachers' Retirement Match	2,607,800	3,046,800	3,218,100	2,705,600	2,840,900
Administrative Services	1,268,300	1,392,100	1,431,300	1,288,300	1,296,100
Human Resources	587,400	666,300	701,800	595,100	602,300
Project Management	192,500	205,800	215,100	181,200	182,400
<b>TOTAL EXPENDITURES</b>	<b>9,088,600</b>	<b>10,788,600</b>	<b>11,173,200</b>	<b>14,577,300</b>	<b>32,376,200</b>

The Office of Internal Administration and Support consists of the following divisions: Budgets; Financial and Materials Management; Administrative Services; Human Resources; and Project Management.

The Division of Budgets supervises all aspects of budget creation, both annual and biennial, budget analysis and forecasting, expenditure authorizations, personnel approvals, and allotment and appropriation adjustments and increases. The division serves as agency liaison with the Office of State Budget Director and Legislative Research Commission budget staff.

The Division of Financial and Materials Management supervises all expenditure and accounting transactions, purchasing and document preparation, and pre-audit functions. The division serves as liaison with the Auditor of Public Accounts and the Finance and Administration Cabinet and also is the primary department authority for MARS training and implementation.

The Division of Administrative Services is responsible for: insurance, leasing, management of leased property, inventory,

telecommunications equipment, copiers, mail, office and furniture moves, receiving and distribution of equipment and materials, printing, and processing of documents to archives. The division is also responsible for capital project planning, budgeting and administration.

The Division of Human Resources provides personnel and payroll services to department staff. These services include initiation of master agreements with local education agencies as well as administration of the state merit system, Family Medical Leave Act, Workers' Compensation, sick leave sharing, tuition assistance, employee training, Fair Labor Standards Act, Americans With Disabilities Act and all other related employment laws and regulations.

The Division of Project Management advises and assists department leadership in the most efficient and effective means of deploying information technology resources to meet the strategic priorities of the Kentucky Board of Education, Department of Education, and local districts and schools.

## **Policy**

The Budget of the Commonwealth includes \$7,625,000 in fiscal year 2008 for debt service. This debt service will be used in part in support of an ultra high-speed education technology designed to increase capacity to provide classrooms with instructional materials heretofore unavailable in Kentucky schools and also to provide student records on the Web, thus enhancing identification of students needing additional assistance. Debt service is also provided to fund a \$50 million education technology pool to enable replacement of outmoded computers in schools across the state along with other technology upgrades in support of the learning programs now available by way of up-to-date robust education technology. Debt service is also provided for two vocational-technical center projects in Rockcastle and Letcher Counties.

The enacted budget recommendation also includes \$5.3 million in fiscal year 2007 and \$15.3 million in fiscal year 2008 in operating funds within the Deputy Commissioner's office for operational support for these technology projects.

Finally, the Budget of the Commonwealth provides \$5 million in both fiscal year 2007 and fiscal year 2008 from the Local Government Economic Development Multi-County Fund to enhance education technology in local school districts within coal-producing counties. The Commissioner of Education is authorized to use up to \$1 million of the \$5 million each fiscal year for education technology offers of assistance to qualifying school districts. The Commissioner is directed to use \$2.5 million of the \$5 million each fiscal year to continue the Coal County Computing program. The remainder of the \$5 million is to be distributed by the Commissioner in a manner consistent with distributions to school districts under the Kentucky Education Technology System (KETS) program; these distributions are to be in addition to any regular KETS funds received by the coal county school districts.



**Department of Education  
Operations and Support Services  
Education Technology**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	21,814,100	47,060,000	47,188,700	21,990,000	22,037,600
Salary Compensation Fund	27,200				
Base Deduction	-59,200				
<b>Total General Fund</b>	<b>21,782,100</b>	<b>47,060,000</b>	<b>47,188,700</b>	<b>21,990,000</b>	<b>22,037,600</b>
<b>Restricted Funds</b>					
Balance Forward	8,700				
Current Receipts	66,300	75,000	75,000	75,000	75,000
Non-Revenue Receipts				5,000,000	5,000,000
<b>Total Restricted Funds</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>5,075,000</b>	<b>5,075,000</b>
<b>Federal Funds</b>					
Balance Forward	104,300				
Current Receipts	8,395,700	8,500,000	8,500,000	8,500,000	8,500,000
<b>Total Federal Funds</b>	<b>8,500,000</b>	<b>8,500,000</b>	<b>8,500,000</b>	<b>8,500,000</b>	<b>8,500,000</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>30,357,100</b>	<b>55,635,000</b>	<b>55,763,700</b>	<b>35,565,000</b>	<b>35,612,600</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,919,400	2,197,300	2,326,000	2,127,300	2,174,900
Operating Expenses	437,700	25,437,700	25,437,700	437,700	437,700
Grants, Loans or Benefits	28,000,000	28,000,000	28,000,000	33,000,000	33,000,000
<b>TOTAL EXPENDITURES</b>	<b>30,357,100</b>	<b>55,635,000</b>	<b>55,763,700</b>	<b>35,565,000</b>	<b>35,612,600</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	21,782,100	47,060,000	47,188,700	21,990,000	22,037,600
Restricted Funds	75,000	75,000	75,000	5,075,000	5,075,000
Federal Funds	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
<b>TOTAL EXPENDITURES</b>	<b>30,357,100</b>	<b>55,635,000</b>	<b>55,763,700</b>	<b>35,565,000</b>	<b>35,612,600</b>
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	8,781,700	8,811,200	8,827,700	13,960,200	13,953,100
Engineering Management	810,100	931,900	974,900	828,700	840,700
Operations and Services	1,265,300	1,391,900	1,461,100	1,276,100	1,318,800
Education Technology (KETS)	19,500,000	44,500,000	44,500,000	19,500,000	19,500,000
<b>TOTAL EXPENDITURES</b>	<b>30,357,100</b>	<b>55,635,000</b>	<b>55,763,700</b>	<b>35,565,000</b>	<b>35,612,600</b>

The Office of Education Technology provides policy and budget planning, liaison services, administration and quality assurance for the Kentucky Education Technology System (KETS). The Office is responsible for KETS shared services for 700,000 direct customers, 1,400 schools, 176 local school districts and the Kentucky Department of Education. The Office consists of two divisions - Engineering and Management, and Operations and Services.

**Policy**

The Budget of the Commonwealth provides a \$50 million capital bond pool for replacement of outmoded computers and

related education technology upgrades during the 2006-08 biennium. (Debt service for the bonds is budgeted within the Office of Internal Administration and Support within the Bureau of Operations and Support Services.) The enacted budget also includes increased funding in fiscal year 2007 and fiscal year 2008 to enhance the availability and use of education technology for students in coal-producing counties and school districts. Additional detail on this initiative is included within the narrative for the Office of Internal Administration and Support within the Bureau of Support Services.

**Department of Education  
Operations and Support Services  
Legal and Legislative Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	686,000	721,400	749,700	490,100	495,000
<b>Total General Fund</b>	686,000	721,400	749,700	490,100	495,000
<b>TOTAL SOURCE OF FUNDS</b>	686,000	721,400	749,700	490,100	495,000
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	466,000	501,400	529,700	470,100	475,000
Operating Expenses	20,000	20,000	20,000	20,000	20,000
Grants, Loans or Benefits	200,000	200,000	200,000		
<b>TOTAL EXPENDITURES</b>	686,000	721,400	749,700	490,100	495,000
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	686,000	721,400	749,700	490,100	495,000
<b>TOTAL EXPENDITURES</b>	686,000	721,400	749,700	490,100	495,000
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	486,000	521,400	549,700	490,100	495,000
Management Assistance Program	200,000	200,000	200,000		
<b>TOTAL EXPENDITURES</b>	686,000	721,400	749,700	490,100	495,000

The Office of Legal and Legislative Services provides in-house counsel and advice for the Commissioner of Education, all offices of the Department of Education, and the Kentucky Board of Education. The office provides legal representation for the Department of Education and Kentucky Board of Education before administrative agencies and courts of law. It provides informal legal advice to local school districts and members of the general public. The office serves as the Kentucky Department of Education's liaison with the General Assembly.

**Policy**

The Budget of the Commonwealth eliminates funding for the Management Assistance Program.

**Department of Education  
Operations and Support Services  
Communications**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	1,627,300	1,786,300	1,886,700	1,657,100	1,679,700
Base Deduction	-5,900				
<b>Total General Fund</b>	1,621,400	1,786,300	1,886,700	1,657,100	1,679,700
<b>Restricted Funds</b>					
Balance Forward	117,000				
Current Receipts	103,200	104,900	104,900	104,900	104,900
Non-Revenue Receipts		39,900			
<b>Total Restricted Funds</b>	220,200	144,800	104,900	104,900	104,900
<b>Federal Funds</b>					
Balance Forward	6,400				
Current Receipts	21,400	27,800	27,800	27,800	27,800
<b>Total Federal Funds</b>	27,800	27,800	27,800	27,800	27,800
<b>TOTAL SOURCE OF FUNDS</b>	1,869,400	1,958,900	2,019,400	1,789,800	1,812,400
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,686,600	1,736,200	1,836,600	1,607,000	1,629,600
Operating Expenses	155,000	194,900	155,000	155,000	155,000
Grants, Loans or Benefits	27,800	27,800	27,800	27,800	27,800
<b>TOTAL EXPENDITURES</b>	1,869,400	1,958,900	2,019,400	1,789,800	1,812,400
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,621,400	1,786,300	1,886,700	1,657,100	1,679,700
Restricted Funds	220,200	144,800	104,900	104,900	104,900
Federal Funds	27,800	27,800	27,800	27,800	27,800
<b>TOTAL EXPENDITURES</b>	1,869,400	1,958,900	2,019,400	1,789,800	1,812,400
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	801,100	783,300	778,300	694,100	700,300
Publications/Web Services	677,400	746,700	787,800	698,400	709,400
Video/Multimedia Services	390,900	428,900	453,300	397,300	402,700
<b>TOTAL EXPENDITURES</b>	1,869,400	1,958,900	2,019,400	1,789,800	1,812,400

The Office of Communications consists of two divisions: Publications and Web Services and Video and Multimedia Services. The Office is responsible for print, broadcast, Internet and other electronic information programs for educators, legislators, the education community and the general public. The Office is also responsible for media services for professional development, news media relations for the Commissioner and the Department of Education, awards and recognition activities, event planning and school visits and statewide tours by the Commissioner.

**Department of Education  
Learning and Results Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	761,770,200	859,817,200	933,148,800	791,940,900	839,939,300
Continuing Appropriation	7,051,700				
Salary Compensation Fund	1,055,900				
Base Deduction	-4,182,500				
<b>Total General Fund</b>	765,695,300	859,817,200	933,148,800	791,940,900	839,939,300
<b>Tobacco Settlement-Phase I</b>					
Tobacco Settlement - I	1,888,400	1,923,100	1,946,800	1,388,400	1,508,400
Continuing Appropriation	248,900				
<b>Total Tobacco Settlement-Phase I</b>	2,137,300	1,923,100	1,946,800	1,388,400	1,508,400
<b>Restricted Funds</b>					
Balance Forward	1,157,800				
Current Receipts	1,463,400	2,621,200	2,621,200	2,621,200	2,621,200
<b>Total Restricted Funds</b>	2,621,200	2,621,200	2,621,200	2,621,200	2,621,200
<b>Federal Funds</b>					
Balance Forward	1,811,100	341,600		341,600	
Current Receipts	454,469,900	456,065,200	456,237,900	455,919,300	455,919,300
Non-Revenue Receipts	222,783,300	222,947,600	223,019,600	222,858,200	222,924,300
<b>Total Federal Funds</b>	679,064,300	679,354,400	679,257,500	679,119,100	678,843,600
<b>TOTAL SOURCE OF FUNDS</b>	1,449,518,100	1,543,715,900	1,616,974,300	1,475,069,600	1,522,912,500
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	51,622,700	56,503,000	58,488,200	51,983,000	52,554,500
Operating Expenses	14,290,600	14,824,400	14,482,800	16,264,000	18,235,100
Grants, Loans or Benefits	1,383,263,200	1,472,388,500	1,544,003,300	1,406,822,600	1,452,122,900
<b>TOTAL EXPENDITURES</b>	1,449,176,500	1,543,715,900	1,616,974,300	1,475,069,600	1,522,912,500
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	765,695,300	859,817,200	933,148,800	791,940,900	839,939,300
Tobacco Settlement-Phase I	2,137,300	1,923,100	1,946,800	1,388,400	1,508,400
Restricted Funds	2,621,200	2,621,200	2,621,200	2,621,200	2,621,200
Federal Funds	678,722,700	679,354,400	679,257,500	679,119,100	678,843,600
<b>TOTAL EXPENDITURES</b>	1,449,176,500	1,543,715,900	1,616,974,300	1,475,069,600	1,522,912,500
<b>EXPENDITURES BY UNIT</b>					
Deputy Commissioner	16,393,000	16,751,000	16,421,900	16,735,700	16,421,600
Special Instructional Services	439,493,000	444,443,400	445,567,400	441,080,300	441,878,100
Leadership and School Improvement	80,807,000	85,816,300	86,013,500	80,899,300	81,391,600
Assessment and Accountability	20,680,900	20,995,600	21,096,600	20,697,200	22,119,500
Teaching and Learning	171,398,900	192,391,600	192,651,500	197,711,900	204,877,300
District Support Services	720,403,700	783,318,000	855,223,400	717,945,200	756,224,400
<b>TOTAL EXPENDITURES</b>	1,449,176,500	1,543,715,900	1,616,974,300	1,475,069,600	1,522,912,500

The Learning and Results Services program area consists of the following offices: Special Instructional Services; Leadership and School Improvement; Assessment and Accountability; Teaching and Learning; and District Support Services.

## **Policy**

The Budget of the Commonwealth continues the policy established during the 2002-2004 biennium of designating five programs - Extended School Services, Preschool, Professional Development, Safe Schools, and Textbooks "Flexible Focus Funds." This permits local school districts to use discretion in the allocation of these funds while still addressing the governing statutes and serving the needs of the target populations.

**Department of Education  
Learning and Results Services  
Deputy Commissioner**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	15,478,400	15,579,100	15,591,600	15,563,800	15,591,300
Salary Compensation Fund	369,000				
Base Deduction	-284,700				
<b>Total General Fund</b>	<b>15,562,700</b>	<b>15,579,100</b>	<b>15,591,600</b>	<b>15,563,800</b>	<b>15,591,300</b>
<b>Restricted Funds</b>					
Balance Forward	265,100				
Current Receipts	330,700	595,800	595,800	595,800	595,800
<b>Total Restricted Funds</b>	<b>595,800</b>	<b>595,800</b>	<b>595,800</b>	<b>595,800</b>	<b>595,800</b>
<b>Federal Funds</b>					
Balance Forward	576,100	341,600		341,600	
Current Receipts		234,500	234,500	234,500	234,500
<b>Total Federal Funds</b>	<b>576,100</b>	<b>576,100</b>	<b>234,500</b>	<b>576,100</b>	<b>234,500</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>16,734,600</b>	<b>16,751,000</b>	<b>16,421,900</b>	<b>16,735,700</b>	<b>16,421,600</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	461,800	478,200	490,700	462,900	490,400
Operating Expenses	528,500	870,100	528,500	870,100	528,500
Grants, Loans or Benefits	15,402,700	15,402,700	15,402,700	15,402,700	15,402,700
<b>TOTAL EXPENDITURES</b>	<b>16,393,000</b>	<b>16,751,000</b>	<b>16,421,900</b>	<b>16,735,700</b>	<b>16,421,600</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	15,562,700	15,579,100	15,591,600	15,563,800	15,591,300
Restricted Funds	595,800	595,800	595,800	595,800	595,800
Federal Funds	234,500	576,100	234,500	576,100	234,500
<b>TOTAL EXPENDITURES</b>	<b>16,393,000</b>	<b>16,751,000</b>	<b>16,421,900</b>	<b>16,735,700</b>	<b>16,421,600</b>
<b>EXPENDITURES BY UNIT</b>					
Deputy Commissioner	328,000	344,400	356,900	329,100	356,600
National Center Education Statistics Project	234,500	576,100	234,500	576,100	234,500
Staff Development	15,034,700	15,034,700	15,034,700	15,034,700	15,034,700
Statewide Teacher Recruitment	200,000	200,000	200,000	200,000	200,000
KEES Project	177,800	177,800	177,800	177,800	177,800
CCSSO/SAELP	418,000	418,000	418,000	418,000	418,000
<b>TOTAL EXPENDITURES</b>	<b>16,393,000</b>	<b>16,751,000</b>	<b>16,421,900</b>	<b>16,735,700</b>	<b>16,421,600</b>

The Deputy Commissioner and associated support staff provide policy and administrative direction for the Learning Support Services major program area. The Deputy Commissioner reports directly to the Commissioner of Education and has responsibility for the following offices: Special Instructional Services; Leadership and School Improvement; Assessment and Accountability; Teaching and Learning; and District Support Services.

**Department of Education  
Learning and Results Services  
Special Instructional Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	26,955,500	31,660,400	32,614,400	28,526,000	29,323,800
Base Deduction	-16,800				
<b>Total General Fund</b>	26,938,700	31,660,400	32,614,400	28,526,000	29,323,800
<b>Restricted Funds</b>					
Balance Forward	585,500				
Current Receipts	585,900	1,171,400	1,171,400	1,171,400	1,171,400
<b>Total Restricted Funds</b>	1,171,400	1,171,400	1,171,400	1,171,400	1,171,400
<b>Federal Funds</b>					
Balance Forward	969,200				
Current Receipts	410,413,700	411,522,200	411,686,300	411,382,900	411,382,900
Non-Revenue Receipts		89,400	95,300		
<b>Total Federal Funds</b>	411,382,900	411,611,600	411,781,600	411,382,900	411,382,900
<b>TOTAL SOURCE OF FUNDS</b>	439,493,000	444,443,400	445,567,400	441,080,300	441,878,100
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	18,415,700	20,935,800	22,059,800	18,896,500	19,181,600
Operating Expenses	4,741,200	4,808,000	4,808,000	4,947,600	5,230,300
Grants, Loans or Benefits	416,336,100	418,699,600	418,699,600	417,236,200	417,466,200
<b>TOTAL EXPENDITURES</b>	439,493,000	444,443,400	445,567,400	441,080,300	441,878,100
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	26,938,700	31,660,400	32,614,400	28,526,000	29,323,800
Restricted Funds	1,171,400	1,171,400	1,171,400	1,171,400	1,171,400
Federal Funds	411,382,900	411,611,600	411,781,600	411,382,900	411,382,900
<b>TOTAL EXPENDITURES</b>	439,493,000	444,443,400	445,567,400	441,080,300	441,878,100
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	414,500	528,600	554,300	417,800	424,200
Exceptional Children Services	161,937,200	162,102,800	162,196,200	161,937,500	161,938,500
Career and Technical Education	20,602,900	23,177,500	23,271,600	21,568,900	21,842,600
Federal Program and Instructional Equity	241,416,300	241,484,400	241,563,000	241,416,300	241,416,300
Kentucky School for the Blind	6,231,300	6,981,700	7,315,100	6,491,400	6,707,100
Kentucky School for the Deaf	8,890,800	10,168,400	10,667,200	9,248,400	9,549,400
<b>TOTAL EXPENDITURES</b>	439,493,000	444,443,400	445,567,400	441,080,300	441,878,100

The Office of Special Instructional Services as established by KRS 156.010 contains five divisions: Exceptional Children Services; Career and Technical Education; Federal Programs and Instructional Equity; the Kentucky School for the Blind; and the Kentucky School for the Deaf.



**Department of Education  
Learning and Results Services  
Special Instructional Services  
Associate Commissioner**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	431,300	528,600	554,300	417,800	424,200
Base Deduction	-16,800				
<b>Total General Fund</b>	414,500	528,600	554,300	417,800	424,200
<b>TOTAL SOURCE OF FUNDS</b>	414,500	528,600	554,300	417,800	424,200
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	406,300	453,600	479,300	342,800	349,200
Operating Expenses	8,200	75,000	75,000	75,000	75,000
<b>TOTAL EXPENDITURES</b>	414,500	528,600	554,300	417,800	424,200
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	414,500	528,600	554,300	417,800	424,200
<b>TOTAL EXPENDITURES</b>	414,500	528,600	554,300	417,800	424,200

The Associate Commissioner for the Office of Special Instructional Services is responsible for five divisions: Exceptional Children Services; Career and Technical Education; Federal Programs and Instructional Equity; the Kentucky School for the Blind; and the Kentucky School for the Deaf. The Associate Commissioner reports to the Commissioner of Education through the Deputy Commissioner for Learning and Results Services.

**Department of Education  
Learning and Results Services  
Special Instructional Services  
Exceptional Children Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	153,200	158,200	160,200	153,500	154,500
<b>Total General Fund</b>	153,200	158,200	160,200	153,500	154,500
<b>Restricted Funds</b>					
Balance Forward	27,900				
Current Receipts	29,900	57,800	57,800	57,800	57,800
<b>Total Restricted Funds</b>	57,800	57,800	57,800	57,800	57,800
<b>Federal Funds</b>					
Balance Forward	160,500				
Current Receipts	161,565,700	161,797,400	161,882,900	161,726,200	161,726,200
Non-Revenue Receipts		89,400	95,300		
<b>Total Federal Funds</b>	161,726,200	161,886,800	161,978,200	161,726,200	161,726,200
<b>TOTAL SOURCE OF FUNDS</b>	161,937,200	162,102,800	162,196,200	161,937,500	161,938,500
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,481,500	1,666,500	1,759,900	1,501,200	1,502,200
Operating Expenses	1,896,400	1,896,400	1,896,400	1,896,400	1,896,400
Grants, Loans or Benefits	158,559,300	158,539,900	158,539,900	158,539,900	158,539,900
<b>TOTAL EXPENDITURES</b>	161,937,200	162,102,800	162,196,200	161,937,500	161,938,500
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	153,200	158,200	160,200	153,500	154,500
Restricted Funds	57,800	57,800	57,800	57,800	57,800
Federal Funds	161,726,200	161,886,800	161,978,200	161,726,200	161,726,200
<b>TOTAL EXPENDITURES</b>	161,937,200	162,102,800	162,196,200	161,937,500	161,938,500
<b>EXPENDITURES BY UNIT</b>					
Exceptional Children Services	161,819,800	161,985,400	162,078,800	161,820,100	161,821,100
Special Education Mentors	117,400	117,400	117,400	117,400	117,400
<b>TOTAL EXPENDITURES</b>	161,937,200	162,102,800	162,196,200	161,937,500	161,938,500

Under provisions of KRS 156.010 and KRS 157.220, the Division of Exceptional Children Services oversees education programs for children and youth with disabilities and administers Kentucky programs associated with the federal Individuals with Disabilities Education Act.

The Division provides technical assistance to local school districts in the development and implementation of special education programs. The division engages in implementation and oversight activities in the following program areas:

Special Education Mentors -- Mentors work in schools and districts where special education programs are not in compliance with state or federal requirements. Mentors assist in creating and implementing improvement plans and work to increase the effectiveness of staff and relevant entities.

Preschool Special Education - Federal funds are provided under the Individuals With Disabilities Education Act (IDEA) to help states meet the extra cost of providing a free and appropriate public education to children ages three through five with an educational disability. The bulk of these funds flow directly to local school districts for their preschool special education programs. A portion of the funds goes to five early childhood training centers to assist districts in implementing their special education preschool programs. A final portion of the funds is retained by the Kentucky Department of Education for administrative activities of Kentucky's preschool special education programs.

Special Education Program Improvement - State Improvement Grants are awarded under the Individuals With Disabilities Education Act. Kentucky's improvement grant sets specific numerical goals to be attained over a five year period relative to school completion rates, qualified special education personnel, use of technology in teaching children with disabilities, effective early intervention services and successful transition to preschool programs.

Individuals With Disabilities Education - Federal IDEA funds are provided to help meet the extra cost of providing disabled students a free and appropriate public education beyond preschool. The bulk of these funds, as with preschool, flow directly to local school districts. A portion goes to fund eleven special education cooperatives to assist districts and a small amount is retained by the Kentucky Department of Education for administrative purposes.

**Department of Education  
Learning and Results Services  
Special Instructional Services  
Career and Technical Education**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	11,544,100	14,118,700	14,212,800	12,510,100	12,783,800
<b>Total General Fund</b>	11,544,100	14,118,700	14,212,800	12,510,100	12,783,800
<b>Restricted Funds</b>					
Balance Forward	341,800				
Current Receipts	458,600	800,400	800,400	800,400	800,400
<b>Total Restricted Funds</b>	800,400	800,400	800,400	800,400	800,400
<b>Federal Funds</b>					
Balance Forward	211,700				
Current Receipts	8,046,700	8,258,400	8,258,400	8,258,400	8,258,400
<b>Total Federal Funds</b>	8,258,400	8,258,400	8,258,400	8,258,400	8,258,400
<b>TOTAL SOURCE OF FUNDS</b>	20,602,900	23,177,500	23,271,600	21,568,900	21,842,600
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,815,900	1,988,500	2,082,600	1,843,300	1,887,000
Operating Expenses	543,200	543,200	543,200	543,200	543,200
Grants, Loans or Benefits	18,243,800	20,645,800	20,645,800	19,182,400	19,412,400
<b>TOTAL EXPENDITURES</b>	20,602,900	23,177,500	23,271,600	21,568,900	21,842,600
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	11,544,100	14,118,700	14,212,800	12,510,100	12,783,800
Restricted Funds	800,400	800,400	800,400	800,400	800,400
Federal Funds	8,258,400	8,258,400	8,258,400	8,258,400	8,258,400
<b>TOTAL EXPENDITURES</b>	20,602,900	23,177,500	23,271,600	21,568,900	21,842,600
<b>EXPENDITURES BY UNIT</b>					
Career and Technical Education	19,852,900	22,427,500	22,521,600	20,818,900	21,092,600
JAG	750,000	750,000	750,000	750,000	750,000
<b>TOTAL EXPENDITURES</b>	20,602,900	23,177,500	23,271,600	21,568,900	21,842,600

The Division of Secondary Vocational Education provides technical assistance, consultative services, staff development and program monitoring to secondary vocational education programs in local school districts and area vocational education centers.

The Carl D. Perkins Vocational and Applied Technology Education Act provides federal vocational educational funds to local school districts offering approved secondary vocational education programs. The Division of Secondary Vocational Education administers these funds according to guidelines prescribed in Public Law 98-254.

Funding is provided to districts operating a local vocational school or vocational department within a school to help cover the administrative and operational costs of providing the vocational programs.

The Future Farmers of American (FFA) Camp facility at Hardinsburg provides leadership development to vocational organizations in the summer months. Participants generally spend three to five days at FFA Camp and receive intensive leadership training.

**Policy**

The Budget of the Commonwealth includes increased General Fund support of \$960,000 in fiscal year 2007 and \$1,190,000 in fiscal year 2008. These increases include \$700,000 in each fiscal year for operating support for new vocational/technical facilities in the Jessamine and Johnson Counties school districts.

The enacted budget also provides \$100,000 in both fiscal year 2007 and fiscal year 2008 in support of the Bath County vocational/technical school and its programs.

**Department of Education  
Learning and Results Services  
Special Instructional Services  
Federal Program and Instructional Equity**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>Restricted Funds</b>					
Balance Forward	13,400				
Current Receipts	4,600	18,000	18,000	18,000	18,000
<b>Total Restricted Funds</b>	18,000	18,000	18,000	18,000	18,000
<b>Federal Funds</b>					
Balance Forward	597,000				
Current Receipts	240,801,300	241,466,400	241,545,000	241,398,300	241,398,300
<b>Total Federal Funds</b>	241,398,300	241,466,400	241,545,000	241,398,300	241,398,300
<b>TOTAL SOURCE OF FUNDS</b>	241,416,300	241,484,400	241,563,000	241,416,300	241,416,300
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,265,300	1,352,500	1,431,100	1,284,400	1,284,400
Operating Expenses	618,000	618,000	618,000	618,000	618,000
Grants, Loans or Benefits	239,533,000	239,513,900	239,513,900	239,513,900	239,513,900
<b>TOTAL EXPENDITURES</b>	241,416,300	241,484,400	241,563,000	241,416,300	241,416,300
<b>EXPENDITURES BY FUND SOURCE</b>					
Restricted Funds	18,000	18,000	18,000	18,000	18,000
Federal Funds	241,398,300	241,466,400	241,545,000	241,398,300	241,398,300
<b>TOTAL EXPENDITURES</b>	241,416,300	241,484,400	241,563,000	241,416,300	241,416,300
<b>EXPENDITURES BY UNIT</b>					
Title I	193,626,400	193,694,500	193,773,100	193,626,400	193,626,400
Title VI	7,000,800	7,000,800	7,000,800	7,000,800	7,000,800
Other Federal Programs	40,789,100	40,789,100	40,789,100	40,789,100	40,789,100
<b>TOTAL EXPENDITURES</b>	241,416,300	241,484,400	241,563,000	241,416,300	241,416,300

The Division of Federal Program Resources administers many of the Department of Education's federal grant programs.

The Chapter I program provides remedial and supplementary educational services to disadvantaged students who meet at least one of the following criteria: educationally deprived; migrant; neglected or delinquent; handicapped and currently or formerly institutionalized; or confined in a correctional facility.

Chapter II of the Education Consolidation and Improvement Act of 1981 identifies six purposes for which funds must be targeted: programs for at-risk students; programs to acquire and use instructional materials; innovative programs for school-wide improvements, including effective schools programs; professional development programs; programs to enhance personal excellence of students and student achievement; and other innovative projects to enhance the educational climate of the school. These funds are provided to local educational agencies and participating private non-profit schools by a formula established in the federal law.

Other grant programs administered by this division include: Drug-Free Schools and Communities program and the Foreign Language Assistance program.

**Department of Education  
Learning and Results Services  
Special Instructional Services  
Kentucky School for the Blind**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	6,181,300	6,931,700	7,265,100	6,441,400	6,657,100
<b>Total General Fund</b>	6,181,300	6,931,700	7,265,100	6,441,400	6,657,100
<b>Restricted Funds</b>					
Balance Forward	11,000				
Current Receipts	39,000	50,000	50,000	50,000	50,000
<b>Total Restricted Funds</b>	50,000	50,000	50,000	50,000	50,000
<b>TOTAL SOURCE OF FUNDS</b>	6,231,300	6,981,700	7,315,100	6,491,400	6,707,100
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	5,562,600	6,313,000	6,646,400	5,761,900	5,859,300
Operating Expenses	668,700	668,700	668,700	729,500	847,800
<b>TOTAL EXPENDITURES</b>	6,231,300	6,981,700	7,315,100	6,491,400	6,707,100
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	6,181,300	6,931,700	7,265,100	6,441,400	6,657,100
Restricted Funds	50,000	50,000	50,000	50,000	50,000
<b>TOTAL EXPENDITURES</b>	6,231,300	6,981,700	7,315,100	6,491,400	6,707,100

The four subprograms of the Kentucky School for the Blind are Instruction, Residential, Operational Support and Outreach. These subprograms work together to provide instructional and residential programs for students of the School. All four subprograms involve both direct services to students and related services that are necessary to accomplish the direct services.

Instruction and Related Services includes supervision, teaching, supplies, equipment, and clerical services, all of which are needed for the regular instruction of the students enrolled at the Kentucky School for the Blind. Tools utilized are Braille, large print, electronic aids, and other special aids and methods for teaching basic academic skills, vocational skills, self-care skills, orientation and mobility, music, physical education, athletics, and counseling.

Residential Services include those services which are needed to provide housing, daily living skills, and leisure time activities for students who reside at the Kentucky School for the Blind. This subprogram also deals with transportation arrangements when residential students go home on weekends and at the end of the school year.

Operational Support includes administration, business management, food service, housekeeping, utilities and other operating expenses, maintenance of buildings and grounds, and health care. The positions of Superintendent and Coordinator of Instruction and Related Services are included in this subprogram.

The Outreach program provides consultative, technical and evaluative support to local school districts relating to education of students who are blind or visually impaired.

Federal Support includes funds to support federally mandated services. Funds received under Chapter I of the Education Consolidation and Improvement Act are used to provide services in the areas of speech therapy and basic skill instruction. Federal funds are also used to provide instruction and residential services for deaf-blind children.

**Department of Education  
Learning and Results Services  
Special Instructional Services  
Kentucky School for the Deaf**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	8,645,600	9,923,200	10,422,000	9,003,200	9,304,200
<b>Total General Fund</b>	8,645,600	9,923,200	10,422,000	9,003,200	9,304,200
<b>Restricted Funds</b>					
Balance Forward	191,400				
Current Receipts	53,800	245,200	245,200	245,200	245,200
<b>Total Restricted Funds</b>	245,200	245,200	245,200	245,200	245,200
<b>TOTAL SOURCE OF FUNDS</b>	8,890,800	10,168,400	10,667,200	9,248,400	9,549,400
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	7,884,100	9,161,700	9,660,500	8,162,900	8,299,500
Operating Expenses	1,006,700	1,006,700	1,006,700	1,085,500	1,249,900
<b>TOTAL EXPENDITURES</b>	8,890,800	10,168,400	10,667,200	9,248,400	9,549,400
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	8,645,600	9,923,200	10,422,000	9,003,200	9,304,200
Restricted Funds	245,200	245,200	245,200	245,200	245,200
<b>TOTAL EXPENDITURES</b>	8,890,800	10,168,400	10,667,200	9,248,400	9,549,400

The Kentucky School for the Deaf (KSD) provides educational services to deaf children who cannot be served by local school districts. The School's educational program consists of appropriate classroom instruction, life skills, physical education, and vocational training. Students receive instruction in accordance with their Individual Education Plan that emphasizes language and communication skills development.

Students at the Kentucky School for the Deaf are housed in campus dormitories supervised by houseparents. The students receive practical living skill instruction in personal safety, hygiene, and independent living skills.

The Kentucky School for the Deaf also supports an outreach program which provides consultative, technical, and evaluative support to local school districts on how to provide effective educational services to deaf children attending school in a local district. The KSD is designated the Statewide Educational Resource Center on Deafness.



**Department of Education  
Learning and Results Services  
Leadership and School Improvement**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	65,133,400	70,142,400	70,339,600	65,225,400	65,717,700
Base Deduction	-300				
<b>Total General Fund</b>	65,133,100	70,142,400	70,339,600	65,225,400	65,717,700
<b>Restricted Funds</b>					
Balance Forward	1,900				
Current Receipts	18,100	20,000	20,000	20,000	20,000
<b>Total Restricted Funds</b>	20,000	20,000	20,000	20,000	20,000
<b>Federal Funds</b>					
Balance Forward	53,100				
Current Receipts	15,600,800	15,653,900	15,653,900	15,653,900	15,653,900
<b>Total Federal Funds</b>	15,653,900	15,653,900	15,653,900	15,653,900	15,653,900
<b>TOTAL SOURCE OF FUNDS</b>	80,807,000	85,816,300	86,013,500	80,899,300	81,391,600
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	7,366,400	7,875,400	8,072,600	7,158,400	7,220,700
Operating Expenses	1,447,300	1,447,600	1,447,600	1,447,600	1,877,600
Grants, Loans or Benefits	71,993,300	76,493,300	76,493,300	72,293,300	72,293,300
<b>TOTAL EXPENDITURES</b>	80,807,000	85,816,300	86,013,500	80,899,300	81,391,600
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	65,133,100	70,142,400	70,339,600	65,225,400	65,717,700
Restricted Funds	20,000	20,000	20,000	20,000	20,000
Federal Funds	15,653,900	15,653,900	15,653,900	15,653,900	15,653,900
<b>TOTAL EXPENDITURES</b>	80,807,000	85,816,300	86,013,500	80,899,300	81,391,600
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	456,400	485,900	512,000	458,600	462,800
Leadership and Instructional Support	70,162,600	74,875,800	74,949,400	70,473,400	70,919,300
Scholastic Assistance	7,689,700	7,816,500	7,881,000	7,454,800	7,491,200
Educator Quality and Diversity	2,498,300	2,638,100	2,671,100	2,512,500	2,518,300
<b>TOTAL EXPENDITURES</b>	80,807,000	85,816,300	86,013,500	80,899,300	81,391,600

The Office of Leadership and School Improvement consists of the following Divisions: Leadership and Instructional Support; Scholastic Assistance; and Educator Quality and Diversity.

**Department of Education  
Learning and Results Services  
Leadership and School Improvement  
Associate Commissioner**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	456,400	485,900	512,000	458,600	462,800
<b>Total General Fund</b>	456,400	485,900	512,000	458,600	462,800
<b>TOTAL SOURCE OF FUNDS</b>	456,400	485,900	512,000	458,600	462,800
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	437,100	466,600	492,700	439,300	443,500
Operating Expenses	19,300	19,300	19,300	19,300	19,300
<b>TOTAL EXPENDITURES</b>	456,400	485,900	512,000	458,600	462,800
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	456,400	485,900	512,000	458,600	462,800
<b>TOTAL EXPENDITURES</b>	456,400	485,900	512,000	458,600	462,800

The Associate Commissioner for the Office of Leadership and School Improvement reports to the Learning Support Services Deputy Commissioner. The Associate Commissioner is responsible for administering and overseeing the following divisions: Leadership and Instructional Support; Scholastic Assistance; and Educator Quality and Diversity.

**Department of Education  
Learning and Results Services  
Leadership and School Improvement  
Leadership and Instructional Support**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	54,843,500	59,556,400	59,630,000	55,154,000	55,599,900
Base Deduction	-300				
<b>Total General Fund</b>	54,843,200	59,556,400	59,630,000	55,154,000	55,599,900
<b>Restricted Funds</b>					
Balance Forward	1,900				
Current Receipts	13,100	15,000	15,000	15,000	15,000
<b>Total Restricted Funds</b>	15,000	15,000	15,000	15,000	15,000
<b>Federal Funds</b>					
Balance Forward	53,100				
Current Receipts	15,251,300	15,304,400	15,304,400	15,304,400	15,304,400
<b>Total Federal Funds</b>	15,304,400	15,304,400	15,304,400	15,304,400	15,304,400
<b>TOTAL SOURCE OF FUNDS</b>	70,162,600	74,875,800	74,949,400	70,473,400	70,919,300
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,062,400	1,275,300	1,348,900	1,072,900	1,088,800
Operating Expenses	107,600	107,900	107,900	107,900	537,900
Grants, Loans or Benefits	68,992,600	73,492,600	73,492,600	69,292,600	69,292,600
<b>TOTAL EXPENDITURES</b>	70,162,600	74,875,800	74,949,400	70,473,400	70,919,300
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	54,843,200	59,556,400	59,630,000	55,154,000	55,599,900
Restricted Funds	15,000	15,000	15,000	15,000	15,000
Federal Funds	15,304,400	15,304,400	15,304,400	15,304,400	15,304,400
<b>TOTAL EXPENDITURES</b>	70,162,600	74,875,800	74,949,400	70,473,400	70,919,300
<b>EXPENDITURES BY UNIT</b>					
Leadership and Instructional Support	657,700	828,000	872,100	665,100	674,200
Testing & Assessment-Superintendent Training	15,000	15,000	15,000	15,000	15,000
Family Resource and Youth Services Centers	51,917,400	56,421,900	56,422,000	51,917,100	51,917,000
Community Education	1,800,000	1,800,000	1,800,000	2,100,000	2,100,000
National Community Service/21st Century	15,304,400	15,304,400	15,304,400	15,304,400	15,304,400
Community Support for Students & Families	468,100	506,500	535,900	471,800	478,700
Partnership for Student Success					430,000
<b>TOTAL EXPENDITURES</b>	70,162,600	74,875,800	74,949,400	70,473,400	70,919,300

The Division of Leadership and Instructional Support provides and monitors required training opportunities for superintendents working in their first year of service; provides technical assistance for approval of the certified personnel evaluation plans for each local school district; provides required opportunities for school administrators and others to be trained in the process of effective evaluation of certified personnel; collects and approves all proposals of training opportunities to provide required leadership training for school administrators; develops and implements training programs for principals; provides initial and continuing training for school-based councils; and collects and analyzes data relative to each of the above initiatives.

**Policy**

The Budget of the Commonwealth provides \$430,000 in fiscal year 2008 to support the work of the Partnership for Student Success.

**Department of Education  
Learning and Results Services  
Leadership and School Improvement  
Scholastic Assistance**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	7,645,200	7,772,000	7,836,500	7,410,300	7,446,700
<b>Total General Fund</b>	7,645,200	7,772,000	7,836,500	7,410,300	7,446,700
<b>Federal Funds</b>					
Current Receipts	44,500	44,500	44,500	44,500	44,500
<b>Total Federal Funds</b>	44,500	44,500	44,500	44,500	44,500
<b>TOTAL SOURCE OF FUNDS</b>	7,689,700	7,816,500	7,881,000	7,454,800	7,491,200
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	5,451,900	5,578,700	5,643,200	5,217,000	5,253,400
Operating Expenses	923,800	923,800	923,800	923,800	923,800
Grants, Loans or Benefits	1,314,000	1,314,000	1,314,000	1,314,000	1,314,000
<b>TOTAL EXPENDITURES</b>	7,689,700	7,816,500	7,881,000	7,454,800	7,491,200
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	7,645,200	7,772,000	7,836,500	7,410,300	7,446,700
Federal Funds	44,500	44,500	44,500	44,500	44,500
<b>TOTAL EXPENDITURES</b>	7,689,700	7,816,500	7,881,000	7,454,800	7,491,200
<b>EXPENDITURES BY UNIT</b>					
Scholastic Assistance	550,400	643,000	678,800	282,200	289,000
Commonwealth School Improvement	1,539,300	1,548,600	1,552,400	1,548,600	1,552,400
Highly Skilled Educators	5,600,000	5,624,900	5,649,800	5,624,000	5,649,800
<b>TOTAL EXPENDITURES</b>	7,689,700	7,816,500	7,881,000	7,454,800	7,491,200

The Division of School Improvement administers the Kentucky Highly Skilled Educators program and assists those schools identified by the CATS assessment and the Kentucky Board of Education as low-performing schools. Part of such assistance is provided via the Commonwealth School Improvement Fund; funds are provided schools to assist in developing and implementing strategies to raise a school's performance level.

**Department of Education  
Learning and Results Services  
Leadership and School Improvement  
Educator Quality and Diversity**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	2,188,300	2,328,100	2,361,100	2,202,500	2,208,300
<b>Total General Fund</b>	2,188,300	2,328,100	2,361,100	2,202,500	2,208,300
<b>Restricted Funds</b>					
Current Receipts	5,000	5,000	5,000	5,000	5,000
<b>Total Restricted Funds</b>	5,000	5,000	5,000	5,000	5,000
<b>Federal Funds</b>					
Current Receipts	305,000	305,000	305,000	305,000	305,000
<b>Total Federal Funds</b>	305,000	305,000	305,000	305,000	305,000
<b>TOTAL SOURCE OF FUNDS</b>	2,498,300	2,638,100	2,671,100	2,512,500	2,518,300
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	415,000	554,800	587,800	429,200	435,000
Operating Expenses	396,600	396,600	396,600	396,600	396,600
Grants, Loans or Benefits	1,686,700	1,686,700	1,686,700	1,686,700	1,686,700
<b>TOTAL EXPENDITURES</b>	2,498,300	2,638,100	2,671,100	2,512,500	2,518,300
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	2,188,300	2,328,100	2,361,100	2,202,500	2,208,300
Restricted Funds	5,000	5,000	5,000	5,000	5,000
Federal Funds	305,000	305,000	305,000	305,000	305,000
<b>TOTAL EXPENDITURES</b>	2,498,300	2,638,100	2,671,100	2,512,500	2,518,300

The Division of Educator Quality and Diversity works to identify and recruit persons to teach in Kentucky's public schools and also to address the gap between minority students and the number of minority educators.

The division assists local school districts in organizing Future Educator (FEA) of America clubs to provide middle and high school students an opportunity to develop mentoring relationships with educators and to offer assistance to those interested in education as their college major. Kentucky currently has the most chartered FEA chapters in the nation.

The Minority Educator Recruitment and Retention scholarship program has helped increase the number of minorities enrolled in teacher education program grow from 25 to more than 300 since 1993.

The Administrative Leadership Institute provides a comprehensive fast-track program to train principals and school counselors and has produced approximately ninety minorities with principal certifications and is beginning to train and work to retain minorities as school counselors.

**Department of Education  
Learning and Results Services  
Assessment and Accountability**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	9,508,500	10,141,700	10,242,700	9,843,300	11,265,600
Salary Compensation Fund	318,500				
<b>Total General Fund</b>	9,827,000	10,141,700	10,242,700	9,843,300	11,265,600
<b>Federal Funds</b>					
Balance Forward	128,500				
Current Receipts	10,725,400	10,853,900	10,853,900	10,853,900	10,853,900
<b>Total Federal Funds</b>	10,853,900	10,853,900	10,853,900	10,853,900	10,853,900
<b>TOTAL SOURCE OF FUNDS</b>	20,680,900	20,995,600	21,096,600	20,697,200	22,119,500
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	16,299,800	16,614,500	16,715,500	16,316,100	16,338,400
Operating Expenses	3,923,600	3,923,600	3,923,600	3,923,600	5,323,600
Grants, Loans or Benefits	457,500	457,500	457,500	457,500	457,500
<b>TOTAL EXPENDITURES</b>	20,680,900	20,995,600	21,096,600	20,697,200	22,119,500
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	9,827,000	10,141,700	10,242,700	9,843,300	11,265,600
Federal Funds	10,853,900	10,853,900	10,853,900	10,853,900	10,853,900
<b>TOTAL EXPENDITURES</b>	20,680,900	20,995,600	21,096,600	20,697,200	22,119,500
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	360,100	446,000	471,500	362,600	367,700
Assessment Implementation	7,225,000	7,351,200	7,396,000	7,231,400	7,241,100
Assessment Support	13,095,800	13,198,400	13,229,100	13,103,200	14,510,700
<b>TOTAL EXPENDITURES</b>	20,680,900	20,995,600	21,096,600	20,697,200	22,119,500

The Office of Assessment and Accountability is responsible for developing and implementing the Commonwealth Accountability Testing System (CATS) established in KRS 158.645. The test is the primary means of gauging progress by schools and districts toward the goal of proficiency by 2014 based on standards established by the Kentucky Board of Education. The Office consists of the Division of Assessment Implementation and the Division of Assessment Support.

**Department of Education  
Learning and Results Services  
Assessment and Accountability  
Associate Commissioner**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	360,100	446,000	471,500	362,600	367,700
<b>Total General Fund</b>	360,100	446,000	471,500	362,600	367,700
<b>TOTAL SOURCE OF FUNDS</b>	360,100	446,000	471,500	362,600	367,700
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	343,100	429,000	454,500	345,600	350,700
Operating Expenses	17,000	17,000	17,000	17,000	17,000
<b>TOTAL EXPENDITURES</b>	360,100	446,000	471,500	362,600	367,700
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	360,100	446,000	471,500	362,600	367,700
<b>TOTAL EXPENDITURES</b>	360,100	446,000	471,500	362,600	367,700

The Associate Commissioner is responsible for monitoring the work of the Division of Assessment Implementation and the Division of Assessment Support and reports to the Deputy Commissioner for Learning Support Services.

**Policy**

The Budget of the Commonwealth provides \$1.4 million in fiscal year 2008 to add the ACT college admissions and placement exam to the assessment requirements for all students in grade 11 as well as to fund optional WorkKeys testing by students in grades 10, 11, and 12. SB 130 enacted by the 2006 Regular Session of the General Assembly, by amending KRS 158.6543, made these modifications to the Commonwealth Accountability and Testing System.



**Department of Education  
Learning and Results Services  
Assessment and Accountability  
Assessment Implementation**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	7,129,100	7,351,200	7,396,000	7,231,400	7,241,100
Salary Compensation Fund	95,900				
<b>Total General Fund</b>	7,225,000	7,351,200	7,396,000	7,231,400	7,241,100
<b>TOTAL SOURCE OF FUNDS</b>	7,225,000	7,351,200	7,396,000	7,231,400	7,241,100
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	7,196,600	7,322,800	7,367,600	7,203,000	7,212,700
Operating Expenses	28,400	28,400	28,400	28,400	28,400
<b>TOTAL EXPENDITURES</b>	7,225,000	7,351,200	7,396,000	7,231,400	7,241,100
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	7,225,000	7,351,200	7,396,000	7,231,400	7,241,100
<b>TOTAL EXPENDITURES</b>	7,225,000	7,351,200	7,396,000	7,231,400	7,241,100
<b>EXPENDITURES BY UNIT</b>					
Assessment Implementation	656,300	782,500	827,300	662,700	672,400
Commonwealth Accountability Testing System(CATS)	6,568,700	6,568,700	6,568,700	6,568,700	6,568,700
<b>TOTAL EXPENDITURES</b>	7,225,000	7,351,200	7,396,000	7,231,400	7,241,100

The Division of Assessment Implementation operates the Commonwealth Accountability Testing System (CATS) and coordinates the logistics of the assessment program at the district level. This involves managing and generating data necessary to report assessment results on which accountability performance judgments must be based. The Division determines procedures for administering the test. It distributes the test materials to local districts and collects them for grading. The Division also helps district administrators make effective use of the assessment results.

**Department of Education  
Learning and Results Services  
Assessment and Accountability  
Assessment Support**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	2,019,300	2,344,500	2,375,200	2,249,300	3,656,800
Salary Compensation Fund	222,600				
<b>Total General Fund</b>	2,241,900	2,344,500	2,375,200	2,249,300	3,656,800
<b>Federal Funds</b>					
Balance Forward	128,500				
Current Receipts	10,725,400	10,853,900	10,853,900	10,853,900	10,853,900
<b>Total Federal Funds</b>	10,853,900	10,853,900	10,853,900	10,853,900	10,853,900
<b>TOTAL SOURCE OF FUNDS</b>	13,095,800	13,198,400	13,229,100	13,103,200	14,510,700
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	8,760,100	8,862,700	8,893,400	8,767,500	8,775,000
Operating Expenses	3,878,200	3,878,200	3,878,200	3,878,200	5,278,200
Grants, Loans or Benefits	457,500	457,500	457,500	457,500	457,500
<b>TOTAL EXPENDITURES</b>	13,095,800	13,198,400	13,229,100	13,103,200	14,510,700
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	2,241,900	2,344,500	2,375,200	2,249,300	3,656,800
Federal Funds	10,853,900	10,853,900	10,853,900	10,853,900	10,853,900
<b>TOTAL EXPENDITURES</b>	13,095,800	13,198,400	13,229,100	13,103,200	14,510,700
<b>EXPENDITURES BY UNIT</b>					
Assessment Support	441,400	544,000	574,700	448,800	456,300
Longitudinal Assessment	850,000	850,000	850,000	850,000	850,000
Assessment Documentation	300,000	300,000	300,000	300,000	300,000
Alternate Portfolio	257,500	257,500	257,500	257,500	257,500
Report Cards	393,000	393,000	393,000	393,000	393,000
State Assessment	10,853,900	10,853,900	10,853,900	10,853,900	10,853,900
ACT & WorkKeys Testing					1,400,000
<b>TOTAL EXPENDITURES</b>	13,095,800	13,198,400	13,229,100	13,103,200	14,510,700

The purpose of the Division of Assessment Support is to gather information to establish the validity of the Commonwealth Assessment and Testing Program (CATS). Validation studies include:

- The consistency of student results across multiple measures.
- The potential for all scores to yield fair, consistent, and accurate student performance level and school accountability decisions.

The Division also reviews the accuracy of scores assigned to students and schools as well as accuracy of the testing materials.

**Department of Education  
Learning and Results Services  
Teaching and Learning**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	118,966,900	147,234,000	147,461,600	153,095,600	160,141,000
Continuing Appropriation	7,051,700				
Salary Compensation Fund	44,900				
Base Deduction	-29,800				
<b>Total General Fund</b>	<b>126,033,700</b>	<b>147,234,000</b>	<b>147,461,600</b>	<b>153,095,600</b>	<b>160,141,000</b>
<b>Tobacco Settlement-Phase I</b>					
Tobacco Settlement - I	1,888,400	1,923,100	1,946,800	1,388,400	1,508,400
Continuing Appropriation	248,900				
<b>Total Tobacco Settlement-Phase I</b>	<b>2,137,300</b>	<b>1,923,100</b>	<b>1,946,800</b>	<b>1,388,400</b>	<b>1,508,400</b>
<b>Restricted Funds</b>					
Balance Forward	258,000				
Current Receipts	466,000	724,000	724,000	724,000	724,000
<b>Total Restricted Funds</b>	<b>724,000</b>	<b>724,000</b>	<b>724,000</b>	<b>724,000</b>	<b>724,000</b>
<b>Federal Funds</b>					
Balance Forward	77,800				
Current Receipts	17,730,000	17,800,700	17,809,300	17,794,100	17,794,100
Non-Revenue Receipts	24,696,100	24,709,800	24,709,800	24,709,800	24,709,800
<b>Total Federal Funds</b>	<b>42,503,900</b>	<b>42,510,500</b>	<b>42,519,100</b>	<b>42,503,900</b>	<b>42,503,900</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>171,398,900</b>	<b>192,391,600</b>	<b>192,651,500</b>	<b>197,711,900</b>	<b>204,877,300</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	4,256,500	4,930,500	5,190,400	4,065,500	4,129,300
Operating Expenses	2,671,500	2,640,300	2,640,300	3,940,300	4,140,300
Grants, Loans or Benefits	164,470,900	184,820,800	184,820,800	189,706,100	196,607,700
<b>TOTAL EXPENDITURES</b>	<b>171,398,900</b>	<b>192,391,600</b>	<b>192,651,500</b>	<b>197,711,900</b>	<b>204,877,300</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	126,033,700	147,234,000	147,461,600	153,095,600	160,141,000
Tobacco Settlement-Phase I	2,137,300	1,923,100	1,946,800	1,388,400	1,508,400
Restricted Funds	724,000	724,000	724,000	724,000	724,000
Federal Funds	42,503,900	42,510,500	42,519,100	42,503,900	42,503,900
<b>TOTAL EXPENDITURES</b>	<b>171,398,900</b>	<b>192,391,600</b>	<b>192,651,500</b>	<b>197,711,900</b>	<b>204,877,300</b>
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	514,200	623,200	658,300	516,800	524,100
Elementary Arts and Humanities	484,400	484,400	484,400	484,400	484,400
Math Achievement	3,900,000	3,900,000	3,900,000	3,000,000	6,900,000
Save the Children	250,000	250,000	250,000	500,000	500,000
Leadership and Mentoring Fund	381,500	381,500	381,500	381,500	381,500
Teacher Academies	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Reading First	24,709,800	24,709,800	24,709,800	24,709,800	24,709,800
Middle School Achievement Center	387,500	387,500	387,500	387,500	387,500
Curriculum Development	9,352,300	9,904,200	10,008,600	9,366,800	9,388,800
Secondary and Virtual Learning	2,113,100	2,243,200	2,290,900	2,115,800	2,135,500
Dropout Prevention	782,800	782,800	782,800	782,800	782,800
Professional Growth Fund	4,518,900	3,925,300	3,925,300	3,925,300	3,925,300
Extended Learning Services	119,810,800	140,809,100	140,848,000	147,513,800	150,726,900
Early Childhood Development	2,593,600	2,390,600	2,424,400	2,327,400	2,330,700
Appalachian Tutoring Program				100,000	100,000
<b>TOTAL EXPENDITURES</b>	<b>171,398,900</b>	<b>192,391,600</b>	<b>192,651,500</b>	<b>197,711,900</b>	<b>204,877,300</b>

The Office of Teaching and Learning consists of the Divisions of Curriculum Development, Secondary and Virtual Learning, and Early Childhood Development. This Office is also responsible for development of items for the Kentucky Core Content Test, and providing curriculum materials to local educators as they develop teaching plans and implement the Kentucky Core Content Test.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Associate Commissioner**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	486,500	623,200	658,300	516,800	524,100
Salary Compensation Fund	27,700				
<b>Total General Fund</b>	514,200	623,200	658,300	516,800	524,100
<b>TOTAL SOURCE OF FUNDS</b>	514,200	623,200	658,300	516,800	524,100
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	498,000	597,300	632,400	490,900	498,200
Operating Expenses	16,200	25,900	25,900	25,900	25,900
<b>TOTAL EXPENDITURES</b>	514,200	623,200	658,300	516,800	524,100
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	514,200	623,200	658,300	516,800	524,100
<b>TOTAL EXPENDITURES</b>	514,200	623,200	658,300	516,800	524,100

The Associate Commissioner of the Office of Teaching and Learning oversees the activities of the Divisions of Curriculum, Secondary and Virtual Learning, and Early Childhood Development. The Associate Commissioner also oversees and provides leadership to many of the individual programs critical to schools' ability to reach proficiency by 2014.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Elementary Arts and Humanities**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	484,400	484,400	484,400	484,400	484,400
<b>Total General Fund</b>	484,400	484,400	484,400	484,400	484,400
<b>TOTAL SOURCE OF FUNDS</b>	484,400	484,400	484,400	484,400	484,400
<b>EXPENDITURES BY CLASS</b>					
Grants, Loans or Benefits	484,400	484,400	484,400	484,400	484,400
<b>TOTAL EXPENDITURES</b>	484,400	484,400	484,400	484,400	484,400
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	484,400	484,400	484,400	484,400	484,400
<b>TOTAL EXPENDITURES</b>	484,400	484,400	484,400	484,400	484,400

The 2003 Regular Session of the General Assembly instituted a program promoting integration of the arts and foreign languages as a means of strengthening the overall learning environment in the elementary school program.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Math Achievement**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	3,900,000	3,900,000	3,900,000	3,000,000	6,900,000
<b>Total General Fund</b>	3,900,000	3,900,000	3,900,000	3,000,000	6,900,000
<b>TOTAL SOURCE OF FUNDS</b>	3,900,000	3,900,000	3,900,000	3,000,000	6,900,000
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	42,500	42,500	42,500	42,500	42,500
Operating Expenses	97,500	97,500	97,500	97,500	97,500
Grants, Loans or Benefits	3,760,000	3,760,000	3,760,000	2,860,000	6,760,000
<b>TOTAL EXPENDITURES</b>	3,900,000	3,900,000	3,900,000	3,000,000	6,900,000
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	3,900,000	3,900,000	3,900,000	3,000,000	6,900,000
<b>TOTAL EXPENDITURES</b>	3,900,000	3,900,000	3,900,000	3,000,000	6,900,000

The Mathematics Achievement Fund was created by the 2005 Regular Session of the General Assembly (KRS 158.840 - 158.844) to provide developmentally appropriate diagnostic assessment and intervention services to P-12 students to help them reach proficiency in math. The fund enables training of teachers in diagnostic assessment and intervention skills needed to assist students struggling with math. The fund provides two-year renewable grants to local school districts for this purpose. To qualify, a district must employ standards-based and research-based math instructional practices; use intervention and support services to supplement and not replace regular classroom instruction; and provide intervention services to primary program and other students at risk of mathematics failure based on ongoing assessments of their needs.

**Policy**

The Budget of the Commonwealth reduces funding for the Mathematics Achievement Fund to \$3 million in fiscal year 2007 compared to fiscal year 2006's \$3.9 million. The enacted budget increases funding in fiscal year 2008 to \$6.9 million.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Save the Children**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	250,000	250,000	250,000	500,000	500,000
<b>Total General Fund</b>	250,000	250,000	250,000	500,000	500,000
<b>TOTAL SOURCE OF FUNDS</b>	250,000	250,000	250,000	500,000	500,000
<b>EXPENDITURES BY CLASS</b>					
Grants, Loans or Benefits	250,000	250,000	250,000	500,000	500,000
<b>TOTAL EXPENDITURES</b>	250,000	250,000	250,000	500,000	500,000
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	250,000	250,000	250,000	500,000	500,000
<b>TOTAL EXPENDITURES</b>	250,000	250,000	250,000	500,000	500,000

The Kentucky Rural Literacy Initiative is a public/private partnership initiated by the Save the Children organization.

Save the Children selects schools and partners across the nation to implement structured after-school and summer literacy programs. In Kentucky, with state funding beginning in the 2005-06 school year, program sites have been established at elementary schools in Clay, Knott, Letcher, McCreary, Owsley, and Whitley counties. Save the Children works directly with Family Resource and Youth Service Centers and the Kentucky Department of Education.

**Policy**

The Budget of the Commonwealth increases funding for Save the Children from fiscal year 2006's \$250,000 to \$500,000 in both fiscal year 2007 and fiscal year 2008.



**Department of Education  
Learning and Results Services  
Teaching and Learning  
Leadership and Mentoring Fund**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	381,500	381,500	381,500	381,500	381,500
<b>Total General Fund</b>	381,500	381,500	381,500	381,500	381,500
<b>TOTAL SOURCE OF FUNDS</b>	381,500	381,500	381,500	381,500	381,500
<b>EXPENDITURES BY CLASS</b>					
Grants, Loans or Benefits	381,500	381,500	381,500	381,500	381,500
<b>TOTAL EXPENDITURES</b>	381,500	381,500	381,500	381,500	381,500
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	381,500	381,500	381,500	381,500	381,500
<b>TOTAL EXPENDITURES</b>	381,500	381,500	381,500	381,500	381,500

Under the provisions of KRS 157.390, the Professional Development Leadership and Mentor Fund provides competitive grants to pay teachers and administrators to develop and implement an action plan for improving the reading and math performance of students. Grants are awarded by a committee of reading and math experts and provide reading and math mentors and coaches in qualifying districts and schools.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Teacher Academies**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
<b>Total General Fund</b>	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
<b>TOTAL SOURCE OF FUNDS</b>	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	61,700	61,700	61,700	61,700	61,700
Operating Expenses	11,200	11,200	11,200	11,200	11,200
Grants, Loans or Benefits	1,527,100	1,527,100	1,527,100	1,527,100	1,527,100
<b>TOTAL EXPENDITURES</b>	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
<b>TOTAL EXPENDITURES</b>	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000

Teacher Academies provide intensive, content-based professional development to teachers, particularly teachers who are teaching core discipline courses for which they do not have a college major or minor. Academies are operated in collaboration with postsecondary and community educational partners. The academy experience includes a pre-academy day in which teachers identify topics of study, the five-day academy, and two follow-up days during the school year.

The focus of the Teacher Academies is informed by data from the CATS assessment as well as evaluative data from previous academies. Teachers work through a unit of study and adapt it for their specific content and grade level and then employ it in their classrooms and bring examples of student work to follow-up sessions for refinement of the units. The units are then made accessible via the Internet for use by other teachers.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Reading First**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>Federal Funds</b>					
Balance Forward	13,700				
Non-Revenue Receipts	24,696,100	24,709,800	24,709,800	24,709,800	24,709,800
<b>Total Federal Funds</b>	24,709,800	24,709,800	24,709,800	24,709,800	24,709,800
<b>TOTAL SOURCE OF FUNDS</b>	24,709,800	24,709,800	24,709,800	24,709,800	24,709,800
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	200,000	200,000	200,000	200,000	200,000
Operating Expenses	800,000	800,000	800,000	800,000	800,000
Grants, Loans or Benefits	23,709,800	23,709,800	23,709,800	23,709,800	23,709,800
<b>TOTAL EXPENDITURES</b>	24,709,800	24,709,800	24,709,800	24,709,800	24,709,800
<b>EXPENDITURES BY FUND SOURCE</b>					
Federal Funds	24,709,800	24,709,800	24,709,800	24,709,800	24,709,800
<b>TOTAL EXPENDITURES</b>	24,709,800	24,709,800	24,709,800	24,709,800	24,709,800

Reading First is a federal initiative contained within the No Child Left Behind Act. The program's goal is to have every child reading at grade level by the time of entry to the fourth grade. In April 2003, Kentucky was awarded a six-year grant of approximately \$89 million.

The Department of Education is overseeing implementation of Kentucky's Reading First grant. Ten Reading First coaches and eleven regional Literacy Specialists have assisted the department through a partnership with Kentucky's public universities and the Collaborative Center for Literacy Development. Local schools and school districts have been provided technical assistance on the requirements of Reading First and information about research-based reading intervention programs, assessments to diagnose reading progress, and professional development. Seventy four schools in 42 local school districts are in the second year of implementing Reading First in Kentucky.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Middle School Achievement Center**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	387,500	387,500	387,500	387,500	387,500
<b>Total General Fund</b>	387,500	387,500	387,500	387,500	387,500
<b>TOTAL SOURCE OF FUNDS</b>	387,500	387,500	387,500	387,500	387,500
<b>EXPENDITURES BY CLASS</b>					
Grants, Loans or Benefits	387,500	387,500	387,500	387,500	387,500
<b>TOTAL EXPENDITURES</b>	387,500	387,500	387,500	387,500	387,500
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	387,500	387,500	387,500	387,500	387,500
<b>TOTAL EXPENDITURES</b>	387,500	387,500	387,500	387,500	387,500

The purpose of the statewide collaborative Center for Middle School Academic Achievement is to improve the content knowledge and instructional practices of middle level teachers through the coordination of professional development, technical assistance and dissemination of knowledge and practices leading to more effective teaching in the middle grades.

The Center has four goals:

- 1) Collaboration - facilitating the Kentucky Forum to Accelerate Middle Grades Reform. The Forum involves teachers, teacher educators, principals, professional organizations, the Council on Postsecondary Education and the Education Professional Standards Board.
- 2) Recruitment and Retention - working with student organizations and the Higher Education Network to recruit and support middle school teachers for Kentucky's schools.
- 3) Support Higher Education - building a network of middle level higher education instructors based on a foundation established through the Middle Level Symposium for pre-service and new teachers held every other year.
- 4) Research - creating a report on the state of middle schools in Kentucky and providing mini-grants for research projects based on middle grades.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Curriculum Development**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	9,382,100	9,904,200	10,008,600	9,366,800	9,388,800
Base Deduction	-29,800				
<b>Total General Fund</b>	9,352,300	9,904,200	10,008,600	9,366,800	9,388,800
<b>TOTAL SOURCE OF FUNDS</b>	9,352,300	9,904,200	10,008,600	9,366,800	9,388,800
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,330,200	1,752,300	1,856,700	1,214,900	1,236,900
Operating Expenses	210,700	340,500	340,500	340,500	340,500
Grants, Loans or Benefits	7,811,400	7,811,400	7,811,400	7,811,400	7,811,400
<b>TOTAL EXPENDITURES</b>	9,352,300	9,904,200	10,008,600	9,366,800	9,388,800
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	9,352,300	9,904,200	10,008,600	9,366,800	9,388,800
<b>TOTAL EXPENDITURES</b>	9,352,300	9,904,200	10,008,600	9,366,800	9,388,800
<b>EXPENDITURES BY UNIT</b>					
Curriculum Development	1,486,700	2,038,600	2,143,000	1,501,200	1,523,200
Gifted and Talented	7,121,500	7,121,500	7,121,500	7,121,500	7,121,500
Gifted and Talented Advisory Council	48,700	48,700	48,700	48,700	48,700
Commonwealth Institute for Teachers	85,100	85,100	85,100	85,100	85,100
Writing Program	610,300	610,300	610,300	610,300	610,300
<b>TOTAL EXPENDITURES</b>	9,352,300	9,904,200	10,008,600	9,366,800	9,388,800

The Kentucky Education Reform Act of 1990 directed development of a curriculum framework by the Department of Education to assist educators in moving toward the learning goals established by the act. Since that time, the Division of Curriculum Development has participated in developing all major documents used by teachers and schools in organizing their curricula. Technical assistance resources and professional development is provided to schools and districts to improve student achievement by utilization of research-based instructional practices.

Curriculum Development deploys content consultants to work with local districts, schools and teachers with a focus on the goal of all students reaching proficiency by 2014.

Resources have been developed in support of the goals of the No Child Left Behind Act, particularly in the areas of reading and mathematics achievement in grades three through eight. The division also contains staff with responsibility for Reading First, the K-3 cornerstone of No Child Left Behind.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Secondary and Virtual Learning**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	1,521,900	1,669,200	1,716,900	1,541,800	1,561,500
Salary Compensation Fund	17,200				
<b>Total General Fund</b>	<b>1,539,100</b>	<b>1,669,200</b>	<b>1,716,900</b>	<b>1,541,800</b>	<b>1,561,500</b>
<b>Restricted Funds</b>					
Balance Forward	258,000				
Current Receipts	316,000	574,000	574,000	574,000	574,000
<b>Total Restricted Funds</b>	<b>574,000</b>	<b>574,000</b>	<b>574,000</b>	<b>574,000</b>	<b>574,000</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>2,113,100</b>	<b>2,243,200</b>	<b>2,290,900</b>	<b>2,115,800</b>	<b>2,135,500</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	752,100	803,000	850,700	675,600	695,300
Operating Expenses	669,000	748,200	748,200	748,200	748,200
Grants, Loans or Benefits	692,000	692,000	692,000	692,000	692,000
<b>TOTAL EXPENDITURES</b>	<b>2,113,100</b>	<b>2,243,200</b>	<b>2,290,900</b>	<b>2,115,800</b>	<b>2,135,500</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,539,100	1,669,200	1,716,900	1,541,800	1,561,500
Restricted Funds	574,000	574,000	574,000	574,000	574,000
<b>TOTAL EXPENDITURES</b>	<b>2,113,100</b>	<b>2,243,200</b>	<b>2,290,900</b>	<b>2,115,800</b>	<b>2,135,500</b>

The Kentucky Virtual High School (KVHS) works with local school districts in offering a wider range of courses to meet student needs. The availability of KVHS courses on the Internet provides opportunities for students to take courses not taught in their schools due to teacher shortages, too few interested students, lack of a qualified instructor, or irresolvable schedule conflicts. Kentucky Virtual High School courses are available to homebound students, students making up failed credits, and students in alternative education settings.

The Kentucky Virtual Advanced Placement Academy assists high schools in offering a core curriculum of Advanced Placement, International Baccalaureate, dual credit and dual enrollment courses so all students have the opportunity to earn college credit while still in high school.

Kentucky Virtual High School teachers are certified in their content areas and all KVHS courses meet state curriculum standards. When a student completes a course, KVHS sends a final numeric score to the principal of the student's local school. The local school grants the credit and posts the grade according to district and school policy.

The facilities of the KVHS are also used to offer online professional development to educators.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Dropout Prevention**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	782,800	782,800	782,800	782,800	782,800
<b>Total General Fund</b>	782,800	782,800	782,800	782,800	782,800
<b>TOTAL SOURCE OF FUNDS</b>	782,800	782,800	782,800	782,800	782,800
<b>EXPENDITURES BY CLASS</b>					
Operating Expenses	61,900	61,900	61,900	61,900	61,900
Grants, Loans or Benefits	720,900	720,900	720,900	720,900	720,900
<b>TOTAL EXPENDITURES</b>	782,800	782,800	782,800	782,800	782,800
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	782,800	782,800	782,800	782,800	782,800
<b>TOTAL EXPENDITURES</b>	782,800	782,800	782,800	782,800	782,800

Dropout prevention funds are awarded based on the basis of competitive grants by local school districts. The current focus is on research-based programs that offer the most support to students at risk of dropping out of school. The current grant application process emphasizes programs that focus on a given number of students based on criteria identifying the most important needs of each student and providing individualized attention to the student's personal and emotional situation as well as his or her academic status.

Thirteen local school districts and 54 schools serving 280 students were receiving dropout prevention grants during fiscal year 2006.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Professional Growth Fund**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	3,925,300	3,925,300	3,925,300	3,925,300	3,925,300
Continuing Appropriation	593,600				
<b>Total General Fund</b>	<u>4,518,900</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>
<b>TOTAL SOURCE OF FUNDS</b>	<u>4,518,900</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>
<b>EXPENDITURES BY CLASS</b>					
Grants, Loans or Benefits	4,518,900	3,925,300	3,925,300	3,925,300	3,925,300
<b>TOTAL EXPENDITURES</b>	<u>4,518,900</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	4,518,900	3,925,300	3,925,300	3,925,300	3,925,300
<b>TOTAL EXPENDITURES</b>	<u>4,518,900</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>	<u>3,925,300</u>

The Teachers' Professional Growth Fund provides teachers with opportunities for high quality professional development in content knowledge and teaching methodologies in the core disciplines of mathematics, science, language arts and social studies.



**Department of Education  
Learning and Results Services  
Teaching and Learning  
Extended Learning Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	95,736,800	123,188,700	123,222,900	129,897,900	133,111,000
Continuing Appropriation	6,458,100				
<b>Total General Fund</b>	102,194,900	123,188,700	123,222,900	129,897,900	133,111,000
<b>Federal Funds</b>					
Balance Forward	64,100				
Current Receipts	17,551,800	17,620,400	17,625,100	17,615,900	17,615,900
<b>Total Federal Funds</b>	17,615,900	17,620,400	17,625,100	17,615,900	17,615,900
<b>TOTAL SOURCE OF FUNDS</b>	119,810,800	140,809,100	140,848,000	147,513,800	150,726,900
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	858,200	907,900	946,800	859,100	872,200
Operating Expenses	265,200	265,200	265,200	1,465,200	1,665,200
Grants, Loans or Benefits	118,687,400	139,636,000	139,636,000	145,189,500	148,189,500
<b>TOTAL EXPENDITURES</b>	119,810,800	140,809,100	140,848,000	147,513,800	150,726,900
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	102,194,900	123,188,700	123,222,900	129,897,900	133,111,000
Federal Funds	17,615,900	17,620,400	17,625,100	17,615,900	17,615,900
<b>TOTAL EXPENDITURES</b>	119,810,800	140,809,100	140,848,000	147,513,800	150,726,900
<b>EXPENDITURES BY UNIT</b>					
Extended Learning Services	32,206,100	32,232,400	32,250,100	32,206,700	32,210,900
Early Childhood Education	63,006,400	90,436,500	90,457,700	86,508,800	86,517,700
Evenstart	4,640,200	4,640,200	4,640,200	4,640,200	4,640,200
Bilingual Education	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
Read to Achieve	17,558,100	11,100,000	11,100,000	20,558,100	23,558,100
Every 1 Reads	500,000	500,000	500,000	500,000	500,000
Collaborative Center for Literacy Development				1,200,000	1,400,000
<b>TOTAL EXPENDITURES</b>	119,810,800	140,809,100	140,848,000	147,513,800	150,726,900

The Kentucky Education Reform Act of 1990, via KRS 158.070, established Extended School Services (ESS) for struggling learners who need additional instructional time and assistance to achieve their learning goals. The program offers instructional time outside regular school hours and takes many forms, including after-school and before-school instruction, evening sessions, Saturday learning activities, summer programs and intersessions in year-round schools. After-school programs and summer programs are the most popular schedules provided by the schools.

The ESS program serves K-12 students in all 176 school districts and approximately 1,300 public schools. Students are referred for a wide range of subjects including reading, mathematics (basic, algebra, calculus, and geometry), science, social studies, vocational/practical living, arts and humanities, writing and language arts. Many students receive ESS assistance in more than one subject area. The majority of students are referred to ESS for reading, mathematics, writing and science.

The Kentucky Education Reform Act also established a comprehensive preschool program for two groups of children: four-year-old children whose families meet free lunch income guidelines and three and four year old children with developmental

delays or other disabilities. School districts must assure that services are available for these children through a program operated by the district or by contract or collaborative agreement with another agency. Services include: a developmentally appropriate half-day preschool class; transportation; complementary parent education; nutrition; health and developmental screening; and coordination of health and social services.

## **Policy**

The Budget of the Commonwealth increases funding for the Preschool program by \$23,501,600 in fiscal year 2007 and maintains that funding level in fiscal year 2008. This increase will enable an expansion of eligibility to children from families with incomes up to 150 percent of the federal poverty level compared to the current level of 130 percent of poverty. This increase in funding will also provide financial relief to those local school districts which have been augmenting state preschool funding with local monies.

The enacted budget also includes increased General Fund support in the amounts of \$9,458,100 in fiscal year 2007 and \$12,458,100 in fiscal year 2008 for the Read to Achieve program. These funds, in combination with existing Early Reading Incentive Grant General Fund monies as well as Reading First grants, are deployed to strengthen Kentucky's capacity to have all students reading at grade level or above by the time they enter fourth grade. The Read to Achieve approach provides schools with flexibility in the choice of proven research-based reading programs. Early assessment of students' reading levels is utilized along with early intervention for struggling readers. Teachers receive training in research-based strategies to better teach each child to read.

**Department of Education  
Learning and Results Services  
Teaching and Learning  
Early Childhood Development**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	128,100	137,200	143,400	610,800	494,100
<b>Total General Fund</b>	128,100	137,200	143,400	610,800	494,100
<b>Tobacco Settlement-Phase I</b>					
Tobacco Settlement - I	1,888,400	1,923,100	1,946,800	1,388,400	1,508,400
Continuing Appropriation	248,900				
<b>Total Tobacco Settlement-Phase I</b>	2,137,300	1,923,100	1,946,800	1,388,400	1,508,400
<b>Restricted Funds</b>					
Current Receipts	150,000	150,000	150,000	150,000	150,000
<b>Total Restricted Funds</b>	150,000	150,000	150,000	150,000	150,000
<b>Federal Funds</b>					
Current Receipts	178,200	180,300	184,200	178,200	178,200
<b>Total Federal Funds</b>	178,200	180,300	184,200	178,200	178,200
<b>TOTAL SOURCE OF FUNDS</b>	2,593,600	2,390,600	2,424,400	2,327,400	2,330,700
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	513,800	565,800	599,600	520,800	522,500
Operating Expenses	539,800	289,900	289,900	289,900	289,900
Grants, Loans or Benefits	1,540,000	1,534,900	1,534,900	1,516,700	1,518,300
<b>TOTAL EXPENDITURES</b>	2,593,600	2,390,600	2,424,400	2,327,400	2,330,700
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	128,100	137,200	143,400	610,800	494,100
Tobacco Settlement-Phase I	2,137,300	1,923,100	1,946,800	1,388,400	1,508,400
Restricted Funds	150,000	150,000	150,000	150,000	150,000
Federal Funds	178,200	180,300	184,200	178,200	178,200
<b>TOTAL EXPENDITURES</b>	2,593,600	2,390,600	2,424,400	2,327,400	2,330,700

The 2000 Regular Session of the General Assembly established the Office of Early Childhood Development within the Office of the Governor. In June 2005, Executive Order 05-576 reconstituted this entity as the Division of Early Childhood Education within the Department of Education.

The Division of Early Childhood Development coordinates development and continuing activities of Community Early Childhood Councils. The councils work toward implementation of the Kentucky's long-range strategic plan for early childhood development on the local level. The councils build upon existing resources, foster public-private partnerships and otherwise work within their communities toward such goals as the availability of high quality, accessible and affordable early childhood care and education options. The Early Childhood Division provides technical assistance, monitoring and evaluation of outcomes of the local partnerships and link funding to their effectiveness.

Working with other stakeholders, the Division of Early Childhood Development has assisted in implementing a number of programs within agencies across state government aimed at the needs of young children. Some of the results include more than 1,000 early childhood professionals attending college as well as more than 10,000 families participating in the HANDS voluntary home visiting program leading to the delivery of fewer low birth weight babies.

**Department of Education**  
**Learning and Results Services**  
**Teaching and Learning**  
**Appalachian Tutoring Program**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation				100,000	100,000
<b>Total General Fund</b>				100,000	100,000
<b>TOTAL SOURCE OF FUNDS</b>				100,000	100,000
<b>EXPENDITURES BY CLASS</b>					
Operating Expenses				100,000	100,000
<b>TOTAL EXPENDITURES</b>				100,000	100,000
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund				100,000	100,000
<b>TOTAL EXPENDITURES</b>				100,000	100,000

The Budget of the Commonwealth includes \$100,000 in both fiscal year 2007 and fiscal year 2008 for a specialized tutoring program for students with learning disabilities from counties designated as Appalachian by the Appalachian Regional Commission. The program is to be located at a public higher education institution to be selected by the Commissioner of the Department of Education.

**Department of Education  
Learning and Results Services  
District Support Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	525,727,500	585,059,600	656,898,900	519,686,800	557,899,900
Salary Compensation Fund	323,500				
Base Deduction	-3,850,900				
<b>Total General Fund</b>	<b>522,200,100</b>	<b>585,059,600</b>	<b>656,898,900</b>	<b>519,686,800</b>	<b>557,899,900</b>
<b>Restricted Funds</b>					
Balance Forward	47,300				
Current Receipts	62,700	110,000	110,000	110,000	110,000
<b>Total Restricted Funds</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>
<b>Federal Funds</b>					
Balance Forward	6,400				
Non-Revenue Receipts	198,087,200	198,148,400	198,214,500	198,148,400	198,214,500
<b>Total Federal Funds</b>	<b>198,093,600</b>	<b>198,148,400</b>	<b>198,214,500</b>	<b>198,148,400</b>	<b>198,214,500</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>720,403,700</b>	<b>783,318,000</b>	<b>855,223,400</b>	<b>717,945,200</b>	<b>756,224,400</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	4,822,500	5,668,600	5,959,200	5,083,600	5,194,100
Operating Expenses	978,500	1,134,800	1,134,800	1,134,800	1,134,800
Grants, Loans or Benefits	714,602,700	776,514,600	848,129,400	711,726,800	749,895,500
<b>TOTAL EXPENDITURES</b>	<b>720,403,700</b>	<b>783,318,000</b>	<b>855,223,400</b>	<b>717,945,200</b>	<b>756,224,400</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	522,200,100	585,059,600	656,898,900	519,686,800	557,899,900
Restricted Funds	110,000	110,000	110,000	110,000	110,000
Federal Funds	198,093,600	198,148,400	198,214,500	198,148,400	198,214,500
<b>TOTAL EXPENDITURES</b>	<b>720,403,700</b>	<b>783,318,000</b>	<b>855,223,400</b>	<b>717,945,200</b>	<b>756,224,400</b>
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	511,000	543,100	572,600	510,500	515,700
Audit and Transportation	505,047,200	567,213,400	638,909,900	501,921,400	540,105,800
Facilities Management	1,083,100	1,117,800	1,154,000	1,084,200	1,092,000
School Finance	1,437,600	1,696,700	1,739,200	1,485,900	1,493,100
Safe Schools	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300
Nutrition and Health Services	201,567,400	201,931,100	201,997,200	201,931,100	201,997,200
Data Policy Management	629,100	687,600	722,200	633,800	642,300
<b>TOTAL EXPENDITURES</b>	<b>720,403,700</b>	<b>783,318,000</b>	<b>855,223,400</b>	<b>717,945,200</b>	<b>756,224,400</b>

The Office of District Support Services provides administrative and technical assistance on behalf of local school districts throughout the state and consists of the following divisions and functions: Audit and Transportation; Facilities Management; School Finance; Safe Schools; Nutrition and Health Services; and Data Policy Management.

**Department of Education  
Learning and Results Services  
District Support Services  
Associate Commissioner**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	397,100	543,100	572,600	510,500	515,700
Salary Compensation Fund	113,900				
<b>Total General Fund</b>	511,000	543,100	572,600	510,500	515,700
<b>TOTAL SOURCE OF FUNDS</b>	511,000	543,100	572,600	510,500	515,700
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	486,000	518,100	547,600	485,500	490,700
Operating Expenses	25,000	25,000	25,000	25,000	25,000
<b>TOTAL EXPENDITURES</b>	511,000	543,100	572,600	510,500	515,700
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	511,000	543,100	572,600	510,500	515,700
<b>TOTAL EXPENDITURES</b>	511,000	543,100	572,600	510,500	515,700
<b>EXPENDITURES BY UNIT</b>					
Associate Commissioner	511,000	543,100	572,600	510,500	515,700
<b>TOTAL EXPENDITURES</b>	511,000	543,100	572,600	510,500	515,700

The Associate Commissioner for District Support Services reports to the Commissioner of Education through the Deputy Commissioner for Learning Results Services. The Associate Commissioner is responsible for directing the work of the following divisions and functions: Audit and Transportation; Facilities Management; School Finance; Safe Schools; School and Community Nutrition; and Data Policy Management.

**Department of Education  
Learning and Results Services  
District Support Services  
Audit and Transportation**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	508,791,200	567,213,400	638,909,900	501,921,400	540,105,800
Salary Compensation Fund	1,400				
Base Deduction	-3,745,400				
<b>Total General Fund</b>	<u>505,047,200</u>	<u>567,213,400</u>	<u>638,909,900</u>	<u>501,921,400</u>	<u>540,105,800</u>
<b>TOTAL SOURCE OF FUNDS</b>	505,047,200	567,213,400	638,909,900	501,921,400	540,105,800
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,112,400	1,385,200	1,466,900	1,131,000	1,146,700
Operating Expenses	63,200	63,200	63,200	63,200	63,200
Grants, Loans or Benefits	503,871,600	565,765,000	637,379,800	500,727,200	538,895,900
<b>TOTAL EXPENDITURES</b>	<u>505,047,200</u>	<u>567,213,400</u>	<u>638,909,900</u>	<u>501,921,400</u>	<u>540,105,800</u>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	505,047,200	567,213,400	638,909,900	501,921,400	540,105,800
<b>TOTAL EXPENDITURES</b>	<u>505,047,200</u>	<u>567,213,400</u>	<u>638,909,900</u>	<u>501,921,400</u>	<u>540,105,800</u>
<b>EXPENDITURES BY UNIT</b>					
Audit and Transportation	1,175,600	1,448,400	1,530,100	1,194,200	1,209,900
Education of State Agency Children	10,462,100	10,462,100	10,462,100	10,962,100	10,962,100
Textbooks	21,700,100	21,700,100	21,700,100	21,700,100	21,700,100
Local District Life Insurance	2,168,600	3,914,000	3,914,000	2,257,000	2,378,700
Local District Health Insurance	469,540,800	529,688,800	601,303,600	465,808,000	503,855,000
<b>TOTAL EXPENDITURES</b>	<u>505,047,200</u>	<u>567,213,400</u>	<u>638,909,900</u>	<u>501,921,400</u>	<u>540,105,800</u>

The Division of Audit and Transportation provides financial and technical administrative support for local school districts to ensure the efficient and effective use of resources. The division is comprised of two branches- Audit and Transportation Services.

The Audit Branch supports and audits all aspects of pupil attendance. Pupil attendance numbers are used for the distribution of much of the state and federal funds received by school districts. Attendance audits are conducted on approximately twenty five percent of local school districts annually. Besides providing a verification tool, audits are important in providing guidance to districts on procedures to ensure accurate student attendance data. This branch also utilizes financial audits of local school districts to ensure that districts are appropriately managing their finances. The Audit Branch works with the Personnel Cabinet and local districts in providing district employees with state life and health insurance.

The Pupil Transportation Branch provides technical and administrative assistance to local school districts pertaining to the safe and efficient transportation of approximately 390,000 pupils riding approximately 9,600 buses statewide. The branch provides training for bus drivers. The transportation branch also maintains a school bus inventory, school bus accident reports, a register of all state-certified public school bus drivers and inspection records.

## Policy

The Budget of the Commonwealth provides an increase of \$500,000 in both fiscal year 2007 and fiscal year 2008 for the Education of State Agency Children compared to fiscal year 2006.

The enacted budget includes a decrease of \$3,732,800 in funding for the Local District Health Insurance Program in fiscal year 2007 compared to fiscal year 2006. For fiscal year 2008, the enacted budget provides an increase of \$34,314,200 in the health insurance program compared to fiscal year 2006.

The Budget of the Commonwealth maintains funding for the provision of textbooks and related instructional materials to local school districts at the fiscal year 2006 level of \$21,700,000 in both fiscal year 2007 and fiscal year 2008.



**Department of Education  
Learning and Results Services  
District Support Services  
Facilities Management**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	442,800	623,800	660,000	590,200	598,000
Salary Compensation Fund	146,300				
<b>Total General Fund</b>	589,100	623,800	660,000	590,200	598,000
<b>Federal Funds</b>					
Non-Revenue Receipts	494,000	494,000	494,000	494,000	494,000
<b>Total Federal Funds</b>	494,000	494,000	494,000	494,000	494,000
<b>TOTAL SOURCE OF FUNDS</b>	1,083,100	1,117,800	1,154,000	1,084,200	1,092,000
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	570,800	605,500	641,700	571,900	579,700
Operating Expenses	18,300	18,300	18,300	18,300	18,300
Grants, Loans or Benefits	494,000	494,000	494,000	494,000	494,000
<b>TOTAL EXPENDITURES</b>	1,083,100	1,117,800	1,154,000	1,084,200	1,092,000
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	589,100	623,800	660,000	590,200	598,000
Federal Funds	494,000	494,000	494,000	494,000	494,000
<b>TOTAL EXPENDITURES</b>	1,083,100	1,117,800	1,154,000	1,084,200	1,092,000

The Division of Facilities Management reviews, oversees, and approves all new buildings and additions and alterations to existing public school buildings. This division also provides guidance in preparing each local district's facility plan and assists in updating and amending district plans. The Division of Facilities Management compiles information as to local school district construction needs each biennium for use by the School Facilities Construction Commission.

**Department of Education  
Learning and Results Services  
District Support Services  
School Finance**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	1,433,100	1,586,700	1,629,200	1,375,900	1,383,100
Base Deduction	-105,500				
<b>Total General Fund</b>	1,327,600	1,586,700	1,629,200	1,375,900	1,383,100
<b>Restricted Funds</b>					
Balance Forward	47,300				
Current Receipts	62,700	110,000	110,000	110,000	110,000
<b>Total Restricted Funds</b>	110,000	110,000	110,000	110,000	110,000
<b>TOTAL SOURCE OF FUNDS</b>	1,437,600	1,696,700	1,739,200	1,485,900	1,493,100
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	651,100	753,900	796,400	543,100	550,300
Operating Expenses	170,000	326,300	326,300	326,300	326,300
Grants, Loans or Benefits	616,500	616,500	616,500	616,500	616,500
<b>TOTAL EXPENDITURES</b>	1,437,600	1,696,700	1,739,200	1,485,900	1,493,100
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,327,600	1,586,700	1,629,200	1,375,900	1,383,100
Restricted Funds	110,000	110,000	110,000	110,000	110,000
<b>TOTAL EXPENDITURES</b>	1,437,600	1,696,700	1,739,200	1,485,900	1,493,100
<b>EXPENDITURES BY UNIT</b>					
School Finance	821,100	1,080,200	1,122,700	869,400	876,600
Blind and Deaf Student Travel	616,500	616,500	616,500	616,500	616,500
<b>TOTAL EXPENDITURES</b>	1,437,600	1,696,700	1,739,200	1,485,900	1,493,100

The Division of Finance's objectives include: the provision of technical assistance to 176 local school districts on matters of budgeting, accounting, reporting and composing salary schedules; distribution of state SEEK funds to local districts; providing guidance in planning the financing of local school building construction and providing other financial management and accounting assistance.

Funding for trips home by students residing at the Kentucky School for the Blind and the Kentucky School for the Deaf is budgeted within this division.

**Department of Education  
Learning and Results Services  
District Support Services  
Safe Schools**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300
<b>Total General Fund</b>	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300
<b>TOTAL SOURCE OF FUNDS</b>	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300
<b>EXPENDITURES BY CLASS</b>					
Grants, Loans or Benefits	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300
<b>TOTAL EXPENDITURES</b>	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300
<b>TOTAL EXPENDITURES</b>	10,128,300	10,128,300	10,128,300	10,378,300	10,378,300

In 1998, the General Assembly, in enacting KRS 158.440-158.446, recognized that state and local resources are needed to expand capacities for research, effective programming, and program evaluation directed toward safety and discipline in Kentucky's schools. The Safe Schools program provides funding to local school districts to support substance abuse and violence reduction programming. Like initiatives at the federal level, this program seeks to prevent violence in and around schools, and supports programs that prevent the illegal use of alcohol, tobacco and drugs through a school and community-based effort.

The Center for School Safety, in collaboration with the Department of Education, distributes funds to local school districts, with an emphasis on community-based programs, intensive academic intervention programs, programs utilizing school resource officers, and training programs for certified and classified staff, students, parents, and community members.

**Policy**

The Budget of the Commonwealth provides an increase of \$250,000 in funding for the Safe Schools program in both fiscal year 2007 and fiscal year 2008 compared to fiscal year 2006.

**Department of Education  
Learning and Results Services  
District Support Services  
Nutrition and Health Services**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	3,967,800	4,276,700	4,276,700	4,276,700	4,276,700
<b>Total General Fund</b>	3,967,800	4,276,700	4,276,700	4,276,700	4,276,700
<b>Federal Funds</b>					
Balance Forward	6,400				
Non-Revenue Receipts	197,593,200	197,654,400	197,720,500	197,654,400	197,720,500
<b>Total Federal Funds</b>	197,599,600	197,654,400	197,720,500	197,654,400	197,720,500
<b>TOTAL SOURCE OF FUNDS</b>	201,567,400	201,931,100	201,997,200	201,931,100	201,997,200
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	1,475,100	1,820,300	1,886,400	1,820,300	1,886,400
Operating Expenses	600,000	600,000	600,000	600,000	600,000
Grants, Loans or Benefits	199,492,300	199,510,800	199,510,800	199,510,800	199,510,800
<b>TOTAL EXPENDITURES</b>	201,567,400	201,931,100	201,997,200	201,931,100	201,997,200
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	3,967,800	4,276,700	4,276,700	4,276,700	4,276,700
Federal Funds	197,599,600	197,654,400	197,720,500	197,654,400	197,720,500
<b>TOTAL EXPENDITURES</b>	201,567,400	201,931,100	201,997,200	201,931,100	201,997,200

The Division of School and Community Nutrition oversees the administration of the following National School Lunch Act and Child Nutrition Act programs in local school districts and other eligible agencies: National School Lunch program; School Breakfast program; Special Milk program; Child Care Food program; Summer Food Service program; and the Nutrition Education and Training program. Approximately 1,600 Kentucky schools (public and non-public) participate in one or more of these programs.

**Department of Education  
Learning and Results Services  
District Support Services  
Data Policy Management**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Enacted FY 2007</b>	<b>Enacted FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	567,200	687,600	722,200	633,800	642,300
Salary Compensation Fund	61,900				
<b>Total General Fund</b>	629,100	687,600	722,200	633,800	642,300
<b>TOTAL SOURCE OF FUNDS</b>	629,100	687,600	722,200	633,800	642,300
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	527,100	585,600	620,200	531,800	540,300
Operating Expenses	102,000	102,000	102,000	102,000	102,000
<b>TOTAL EXPENDITURES</b>	629,100	687,600	722,200	633,800	642,300
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	629,100	687,600	722,200	633,800	642,300
<b>TOTAL EXPENDITURES</b>	629,100	687,600	722,200	633,800	642,300

The Division of Data Policy Management develops and maintains organization and consistency of data collected and disseminated by the Kentucky Department of Education. Staff of the division works with various Department of Education, Council for Postsecondary Education, and Professional Standards Board program areas in analyzing data and determining requirements for data entered in the department's enterprise data system. The goal is a useful and unified collection of P-16 data that can be accessed by schools, school districts, researchers and others for analysis and informed-decision making. Staff of the division develops standards for data quality and provides technical assistance and training to staff in various education program areas to ensure data that is timely, complete and accurate. Assistance is also provided schools and districts that are the original source of much data.

**Department of Education**  
**Support Education Excellence in Kentucky (SEEK)**

	<u>Revised FY 2006</u>	<u>Requested FY 2007</u>	<u>Requested FY 2008</u>	<u>Enacted FY 2007</u>	<u>Enacted FY 2008</u>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>Total General Fund</b>	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>TOTAL SOURCE OF FUNDS</b>	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>EXPENDITURES BY CLASS</b>					
Grants, Loans or Benefits	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>TOTAL EXPENDITURES</b>	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>TOTAL EXPENDITURES</b>	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600
<b>EXPENDITURES BY UNIT</b>					
Base Funding	1,825,126,600	2,005,460,600	2,211,310,600	1,877,529,800	2,097,733,900
Pupil Transportation	211,953,500	239,953,500	249,953,500	211,953,500	214,752,800
Equalized Facilities	78,475,900	78,475,900	78,475,900	87,119,700	81,887,700
Tier I Equalization	145,649,300	145,649,300	145,649,300	157,620,900	161,638,900
National Board Certification Salary Supplement	1,858,000	1,858,000	1,858,000	2,104,000	2,504,000
School Facilities Matching Grant	225,000	225,000	225,000	200,000	
State-Run Vocational Schools Reimbursement	21,952,600	23,934,200	25,234,800	23,053,800	23,561,000
Vocational Education Transportation	2,416,900	2,416,900	2,416,900	2,416,900	2,416,900
Local District Teachers' Retirement Match	307,234,900	326,070,900	345,847,900	319,184,300	346,100,400
<b>TOTAL EXPENDITURES</b>	2,594,892,700	2,824,044,300	3,060,971,900	2,681,182,900	2,930,595,600

The 1990 General Assembly, responding to the Kentucky Supreme Court's 1989 mandate to equalize funding for schoolchildren regardless of economic circumstances or place of birth, created a mechanism for distributing state support to local school districts. The Support Education Excellence in Kentucky (SEEK) program replaced the Minimum Foundation Program as well as the Power Equalization program.

**DEPARTMENT OF EDUCATION**  
**Support Education Excellence in Kentucky**

The 1990 General Assembly, responding to the Kentucky Supreme Court's 1989 mandate to equalize funding for public school pupils regardless of economic status or place of birth, created a new mechanism for distributing state support to local school districts. The Support Education Excellence in Kentucky (SEEK) program replaced the Minimum Foundation and Power Equalization programs.

Under the SEEK funding formula, the state sets a fixed base guarantee amount per student in average daily attendance. The guarantee amount to the right, as well as all other numbers in this example, are budgeted fiscal year 2007 amounts. *Some totals may be affected by rounding.*

**BASE PER PUPIL GUARANTEE**

\$3,508	X	587,279 Pupils In Average Daily Attendance	=	\$2,060.2 Million
---------	---	--	---	----------------------

The amount of revenue per pupil guaranteed by SEEK is then adjusted upward for each local school district to reflect a set of factors that affect the cost of providing services to pupils.

+

**AT-RISK ADJUSTMENT**

An adjustment, 15% of the base per pupil guarantee, is made to reflect the higher than average costs associated with educating economically deprived ("at-risk") students. "At-Risk" is operationally defined as federal free lunch program eligible. The 15% adjustment is added to the base per pupil guarantee amount for such pupils.

\$3,508 X 15% = \$526	X	291,627 Pupils	=	\$153.4 Million
--------------------------	---	-------------------	---	--------------------

+

**EXCEPTIONAL CHILDREN ADJUSTMENT**

The per pupil guarantee is also increased for exceptional children by a series of weights designed to reflect the additional costs of providing services to such pupils. The costs associated with educating exceptional children are based on a count of pupils with different disabilities, a state-determined exceptional pupil-teacher ratio for each disability or related service, and a resulting per pupil cost.

<b>SEVERE</b> (\$3,508 X 2.35 Weight = \$8,244 Adjustment)	<b>MODERATE</b> (\$3,508 X 1.17 Weight = \$4,104 Adjustment)	<b>MILD</b> (\$3,508 X 0.24 Weight = \$842 Adjustment)
<b>X</b>	<b>X</b>	<b>X</b>
16,159 Pupils	55,550 Pupils	24,432 Pupils
<b>+</b>		
<b>\$381.8 Million</b>		

An adjustment is made for the cost of educating pupils taught at home or in a hospital during the period of their illness or convalescence. Such pupils generate additional funds amounting to the base per pupil guarantee minus one hundred dollars (otherwise dedicated to capital outlay).

+

**HOME AND HOSPITAL ADJUSTMENT**

$\$3,508 - \$100 = \$3,408$	x	2,233 Pupils	=	\$7.6 Million
-----------------------------	---	--------------	---	---------------

The 2005 Regular Session of the General Assembly, via HB 267 (Executive Branch Appropriations Act), established a new weight based on limited English proficiency (LEP). Based on the higher costs associated with educating LEP students, the new weight was established at 7.5% of the base per pupil guarantee. The LEP weight took effect in FY 2006.

+

**LIMITED ENGLISH PROFICIENCY ADJUSTMENT**

$\$3,508 \times 7.5\% = \$263$	x	13,910 Pupils	=	\$3.6 Million
--------------------------------	---	---------------	---	---------------

The base per pupil guarantee is supplemented by the costs determined under the pupil transportation calculation procedures. Pupil transportation calculated costs are based on the number of pupils transported, the geographic characteristics of a given school district and the distribution of pupils along the most efficient routes.

+

**PUPIL TRANSPORTATION**

Number of Students Transported Relative To Geographic Distribution of Students	=	\$212 Million
--	---	---------------

The base per pupil guarantee as adjusted for at-risk, exceptional, home & hospital, limited English proficient pupils (as of fiscal year 2006), as well as for transportation costs becomes the total calculated per pupil base SEEK cost.

Base Per Pupil Guarantee + At-Risk Adjustment + Exceptional Children Adjustment + Home/Hospital Adjustment + LEP Adjustment + Transportation	=	<b>TOTAL CALCULATED BASE PER PUPIL SEEK COST</b>	=	<b>\$2,818.6 Million</b>
--	---	--	---	------------------------------

Equalization of per pupil revenues among local school districts under the SEEK program begins with a requirement that every local school district levy a minimum equivalent tax rate of 30 cents per hundred dollars of assessed valuation. This tax level may be attained via local property taxes, available alternative taxes (occupational, utility or income) or any combination of such taxes. The yield from this tax effort serves as a deduction against the revenues guaranteed by the state under SEEK. Every district is guaranteed that its minimum tax levy will produce the same dollars per student regardless of the district's property tax base. This results in the state providing a greater proportion of per pupil revenues in those districts with lower property wealth per pupil.

-

**REQUIRED LOCAL EFFORT**

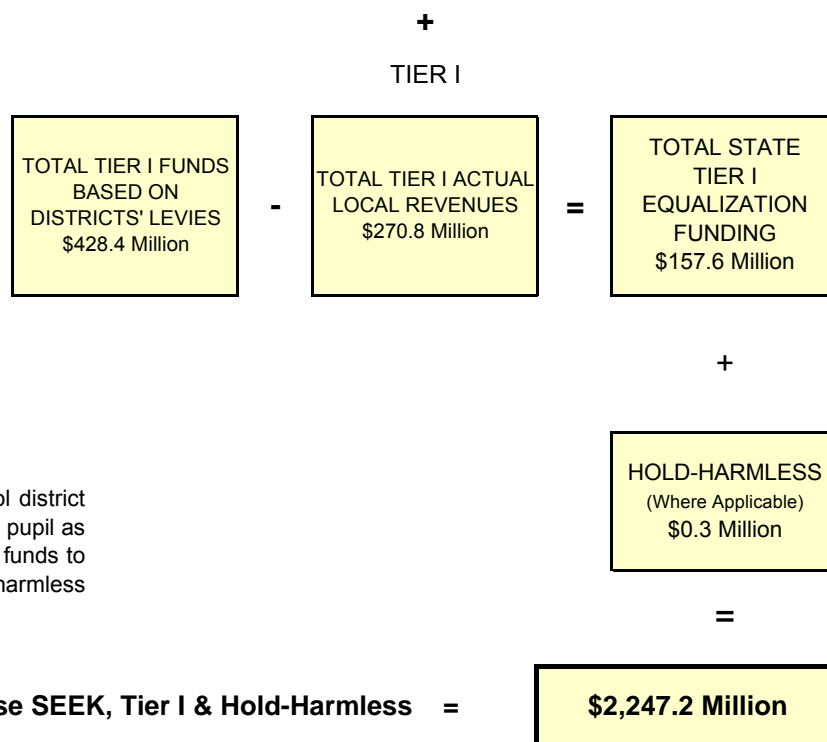
\$243.1 Billion Local School Districts' Assessed Property	x	Required Minimum Tax Levy 30 Cents Per \$100 Assessed Property	=	\$729.3 Million Required Local Effort
---	---	---	---	--

=

<b>\$2,089.3 Million State Portion of Base SEEK Cost</b>
--

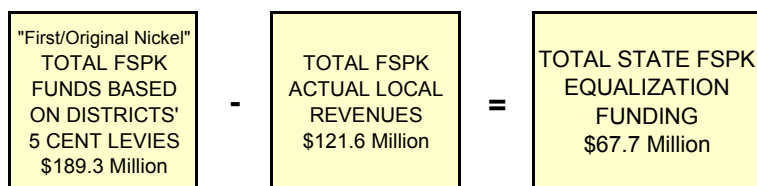


All local school districts have the option to impose taxes sufficient to generate revenues up to 15 percent over those generated under base SEEK. Districts with assessed property per pupil less than 150 percent of the statewide average (set at \$637,000 for the 2006-2008 biennium) receive funds from the state sufficient to garner revenues from these additional taxes equal to those generated if their per pupil property wealth was actually 150 percent of the statewide average. In other words, the state guarantees an additional local levy will produce the same revenue in property-poor districts as would be produced in richer districts. The local tax levied under this provision is not subject to voter recall.



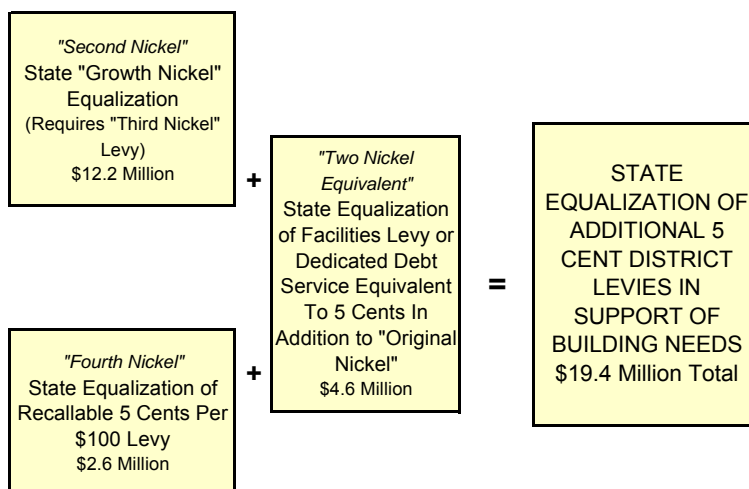
After completion of the preceding calculations, any school district failing to receive at least as much state SEEK funding per pupil as it received in fiscal year 1992 is provided additional state funds to sustain that funding level, referred to as SEEK's hold-harmless provision.

The SEEK program also includes an equalized facilities support component (Facilities Support Program of Kentucky or FSPK) for the purpose of providing a supplemental funding source for each local school district for construction and renovation projects and related debt service outlays. To participate, a district must levy a minimum equivalent tax rate of 5 cents per one hundred dollars of assessed valuation. Revenues generated by this tax must be dedicated to financing capital projects or debt service on construction bonds. Such revenue, like that under the Tier I component, is equalized at 150 percent of the statewide average per pupil property assessment.



## EQUALIZED FACILITIES SUPPORT

There are additional avenues for school districts to raise revenues for building and renovation purposes. Districts experiencing substantial student growth may levy an additional 5 cent tax - not subject to voter recall - per one hundred dollars of assessed valuation. If a district also levies another 5 cent tax - subject to voter recall - prior to January 2006, the original 5 cent "growth" levy qualifies for state equalization at 150 percent of the statewide average per pupil property assessment. All districts, regardless of growth, may levy - subject to voter recall - an additional 5 cents per one hundred dollars of assessed valuation tax for facilities purposes that, if levied prior to January 2006, is also eligible for state equalization. Finally, school districts committing, prior to February 24, 2005, the equivalent of 5 cents per one hundred dollars of assessed valuation in addition to the 5 cent levy required for participation in the Facilities Support Program of Kentucky are eligible for state equalization of the 5 cent equivalent at 150 percent of the statewide average per pupil property assessment.



## Policy

The enacted Budget of the Commonwealth includes funding to increase the base SEEK per pupil guarantee amount to \$3,508 in fiscal year 2007 and to \$3,822 in fiscal year 2008. This represents a 1.8% increase in fiscal year 2007 compared to fiscal year 2006 and an additional 9% increase in fiscal year 2008 compared to fiscal year 2007.

The enacted budget provides funding to accommodate projected average daily attendance of 587,279 and projected total local school district assessed property valuation of \$243.1 billion in fiscal year 2007. In fiscal year 2008, the budget provides funding to accommodate projected average daily attendance of 590,033 and projected total local school district assessed property valuation of \$257.2 billion. Projected numbers represent a consensus reached by the Kentucky Revenue Department, the Department of Education, and the Office of State Budget Director.

Funding is included in the enacted budget to continue providing an adjustment - set at 7.5% of the base per pupil guarantee - to assist with the additional cost involved in educating a projected 13,910 limited English proficient pupils in fiscal year 2007. The enacted budget provides funding in fiscal year 2008 to increase the limited English proficient pupil adjustment to 9.6% of the base per pupil guarantee and to accommodate a projected 15,534 pupils.

The Budget of the Commonwealth maintains funding for the pupil transportation program at the fiscal year 2006 level of \$211,953,500 in fiscal year 2007 and increases funding to \$214,752,800 in fiscal year 2008.

The enacted budget includes \$7,610,400 in fiscal year 2007 and \$8,311,600 in fiscal year 2008 to cover the extra cost involved in educating a projected 2,233 pupils receiving home and/or hospital instruction due to injury or illness during the school year.

The enacted budget includes \$157,620,900 in fiscal year 2007 to provide Tier I funding to eligible local school districts to equalize local revenues raised under this SEEK component at a level of \$637,000 of assessed property valuation per student (150 percent of the projected statewide average per pupil during the 2006-2008 biennium). The budget provides \$161,638,900 in fiscal year 2008 for Tier I.

Also included in the enacted budget is "hold harmless" funding - \$260,600 in fiscal year 2007 and \$113,100 in fiscal year 2008 - to provide every school district with at least the same level of SEEK funding per pupil during the 2006-2008 biennium as was provided in fiscal year 1992.

The Budget of the Commonwealth provides funding for the Facilities Support Program of Kentucky (FSPK) in the amounts of \$67,749,200 in fiscal year 2007 and \$63,970,700 in fiscal year 2008 to provide equalization funding for local district revenues raised by the 5 cent per one hundred dollars of assessed valuation levy required for participation in FSPK. As with Tier I, local revenues will be equalized at a level of \$637,000 of assessed property valuation per student in both fiscal year 2007 and fiscal year 2008.

An additional \$12,177,600 in fiscal year 2007 and \$11,134,200 in fiscal year 2008 is provided to equalize revenues raised by local school districts that have levied an additional 5 cents per one hundred dollars of assessed valuation for building needs associated with enrollment growth. To qualify, a district must have also levied - prior to January 1, 2006 - a third five cents per hundred dollars of assessed valuation designated for facilities and must meet "growth district" criteria (at least a three percent increase amounting to a minimum of 150 additional pupils during the previous five year period).

The enacted budget includes \$2,575,200 in funding in fiscal year 2007 and \$2,331,200 in fiscal year 2008 for state equalization of another five cent levy. This levy is not dependent on student growth but must be dedicated to a school district's facilities needs. Finally, the budget includes \$4,617,700 in fiscal year 2007 and \$4,451,600 for state equalization in cases where districts have levied at least a ten cent equivalent tax rate (the initial 5 cent rate required by FSPK plus 5 additional cents) or have debt service or other funds committed to facilities which, combined with the initial FSPK required 5 cent rate, are equivalent to the ten cent rate. Districts eligible for "growth district" equalization are not eligible for this equalization.

The Budget of the Commonwealth includes \$200,000 in fiscal year 2007 for a matching grant to the Hardin County Educational Foundation for the completion of the John Hardin Performing Arts Center.

The enacted budget includes \$23,053,800 in fiscal year 2007 and \$23,561,000 in fiscal year 2008 to reimburse state-operated vocational facilities for the costs of providing course offerings to students from local school districts. Funding for vocational education transportation is maintained at the fiscal year 2006 level of \$2,416,900 in both fiscal year 2007 and fiscal year 2008.

The Budget of the Commonwealth provides \$2,104,000 in fiscal year 2007 and \$2,504,000 in fiscal year 2008 for salary supplements of \$2,000 annually for teachers achieving and maintaining certification by the National Board for Professional Teaching Standards.

The enacted budget includes funding to accommodate the aggregate statewide cost of a required two percent pay increase for all local school district employees in fiscal year 2007. In fiscal year 2008, the budget provides funding to accommodate the aggregate statewide cost of a required \$3,000 pay increase for all local school district certified (teachers, administrators, etc.) personnel and a required five percent pay increase for all classified (custodians, bus drivers, etc.) personnel. In addition, funds are provided to accommodate the aggregate statewide cost of adding two new instructional days to the minimum statewide school calendar - increasing the minimum instructional year to 177 days compared to the current 175 days.

Funding is provided - \$319,184,300 in fiscal year 2007 and \$346,100,400 in fiscal year 2008 - for the Teachers' Retirement employer match (13.105% of certified salaries) on behalf of local school districts.

This page has been intentionally left blank.